

No.

## VALE OF GLAMORGAN COUNCIL

Minutes of a meeting held on 4<sup>th</sup> March, 2015.

Present: Councillor Howard Hamilton (Mayor); Councillors Richard Bertin, Janice Birch, Jonathan Bird, Bronwen Brooks, Lis Burnett, Philip Clarke, Geoff Cox, Claire Curtis, Rob Curtis, Pamela Drake, John Drysdale, Kate Edmunds, Stuart Egan, Christopher Elmore, Christopher Franks, Eric Hacker, Val Hartrey, Keith Hatton, Nic Hodges, Jeff James, Hunter Jarvie, Gwyn John, Fred Johnson, Dr. Ian Johnson, Maureen Kelly Owen, Peter King, Kevin Mahoney, Anne Moore, Neil Moore, Andrew Parker, Bob Penrose, Anthony Powell, Audrey Preston, Rhona Probert, Gwyn Roberts, John Thomas, Ray Thomas, Rhodri Traherne, Margaret Wilkinson, Christopher Williams, Clive Williams, Edward Williams and Mark Wilson.

### 924 APOLOGIES FOR ABSENCE -

These were received from Councillors Rhiannon Birch and Steffan Wiliam.

### 925 DECLARATIONS OF INTEREST -

The following Members declared an interest in the Agenda Item No. shown. During the Declarations of Interest, Standing Orders were waived to allow the Monitoring Officer to advise Councillor Christopher Williams as to whether he should declare an interest in any item, given his partner was an employee of the Vale of Glamorgan Council.

<b>Name of Member</b>	<b>Agenda Item/Nature of Interest</b>
Councillor Richard Bertin	Agenda Item 10(g) - Local Authority Governor on Penarth Learning Community and Jenner Park Primary School
Councillor Janice Birch	Agenda Item 10(g) - Minor Authority Governor on Victoria School, Penarth
Councillor Jonathan Bird	Agenda Item 13 - Member of Planning Committee (stated intention to leave the meeting during consideration of the item)
Councillor Bronwen Brooks	Agenda Item 10(g) - Local Authority Governor on Jenner Park Primary School

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Councillor Lis Burnett	Agenda Item 10(g) - Local Authority Governor on St. Cyres Comprehensive School
Councillor Philip Clarke	Agenda Item 10(g) - Local Authority Governor on Rhws Primary School
Councillor Claire Curtis	Agenda Item 10(g) - Minor Authority Governor on Ysgol Sant Cyrig and Colcot Primary School
Councillor Rob Curtis	Agenda Items 10(d) and 10(g) - Local Authority Governor on Oakfield Primary School
Councillor Pamela Drake	Agenda Item 13 - Member of Planning Committee (stated intention to leave the meeting during consideration of the item)
Councillor Stuart Egan	Agenda Item 9 - Partner an employee of the Vale of Glamorgan Council Agenda Item 10(g) - Local Authority Governor on High Street Primary School
Councillor Christopher Elmore	Agenda Items 10(b) and 10(g) - Local Authority Governor on Barry Comprehensive School and Victoria Primary School
Councillor Christopher Franks	Agenda Item 10(g) - Local Authority Governor on Penarth Learning Community
Councillor Eris Hacker	Agenda Item 13 - Member of Planning Committee (stated intention to leave the meeting during consideration of the item)
Councillor Howard Hamilton	Agenda Items 10(b) and 10(g) - Minor Authority Governor on Oakfield Primary School
Councillor Val Hartrey	Agenda Item 10(g) - Minor Authority Governor on Dinas Powys Primary School. Local Authority Governor on St. Cyres Comprehensive School

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Councillor Keith Hatton	Agenda Item 10(g) - Local Authority Governor on Dinas Powys Primary School
Councillor Nic Hodges	Agenda Items 10(d) and 10(g) - Minor Authority Governor on Ysgol Gwaun y Nant. Local Authority Governor on Ysgol Sant Baruc
Councillor Jeff James	Agenda Item 10(g) - Local Authority Governor on Rhws Primary School and Llancafán Primary School Agenda Item 13 - Member of Planning Committee (stated intention to leave the meeting during consideration of the item)
Councillor Hunter Jarvie	Agenda Item 10(g) - Local Authority Governor on Ysgol Iolo Morgannwg
Councillor Gwyn John	Agenda Item 10(g) - Local Authority Governor on Llantwit Major Comprehensive School
Councillor Ian Johnson	Agenda Item 10(g) - Local Authority Governor on Barry Comprehensive School and Gladstone Primary School
Councillor Fred Johnson	Agenda Item 10(g) - Local Authority Governor on Cadoxton Primary School Agenda Item 13 - Member of the Planning Committee (stated intention to leave the meeting during consideration of the item)
Councillor Kevin Mahoney	Agenda Item 13 - Member of Planning Committee (stated intention to leave the meeting during consideration of the item)
Councillor Anne Moore	Agenda Item 9 - Daughter an employee of the Vale of Glamorgan Council Agenda Item 10(g) - Local Authority Governor on Bryn Hafren Comprehensive School

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Councillors Andrew Parker	Agenda Item 9 - Daughter an employee of the Vale of Glamorgan Council Agenda Item 13 - Member of Planning Committee (stated intention to leave the meeting during consideration of the item)
Councillor Bob Penrose	Agenda Item 13 - Member of Planning Committee (stated intention to leave the meeting during consideration of the item)
Councillor Anthony Powell	Agenda Item 10(g) - Local Authority Governor on Barry Comprehensive School and Bryn Hafren Comprehensive School Agenda Item 13 - Member of Planning Committee (stated intention to leave the meeting during consideration of the item)
Councillor Rhona Probert	Agenda Item 10(g) - Local Authority Governor on Romilly Primary School
Councillor Gwyn Roberts	Agenda Item 7 - Partner employed within the Service area concerned in Cardiff Council (left the meeting for the duration of the item)
Councillor Ray Thomas	Agenda Item 10(g) - Local Authority Governor on Llangan Primary School Agenda Item 13 - Member of Planning Committee (stated intention to leave the meeting during consideration of the item)
Councillor Rhodri Traherne	Agenda Item 13 - Material interest as a landowner
Councillor Margaret Wilkinson	Agenda Item 10(g) - Local Authority Governor on Colcot Primary School  Agenda Item 13 - Member of Planning Committee (stated intention to leave the meeting during consideration of the item)

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Councillor Clive Williams	Agenda Item 13 - Member of Planning Committee (stated intention to leave the meeting during consideration of the item)
Councillor Christopher Williams	Agenda Item 9 - Partner an employee of the Vale of Glamorgan Council
Councillor Edward Williams	Agenda Item 10(g) - Local Authority Governor on Llantwit Major Comprehensive School Agenda Item 13 - Member of Planning Committee (stated intention to leave the meeting during consideration of the item)
Councillor Mark Wilson	Agenda Item 10(g) - Local Authority Governor on Victoria Primary School

926 MINUTES -

The minutes of the meeting held on 17<sup>th</sup> December, 2014 were approved as a correct record.

927 ANNOUNCEMENTS -

The Mayor made the following announcements:

- He again thanked all those Members and Officers who had supported his various charities throughout his year in office.
- He referred to two forthcoming events - a Race Night and a Concert of Choirs and to the fact that tickets for the events were available from the Mayor's Office.

The Leader made the following announcements:

- He referred to the recent resignation from the Cabinet of Councillor Rob Curtis and expressed his sincere thanks to Councillor Curtis for his commitment to his portfolio and the work of the Cabinet and Council. Following Councillor Curtis' resignation, the Leader had decided to reduce the Cabinet to six Members and not replace Councillor Curtis. This decision had been taken for a number of reasons, not least because he felt that the Cabinet could, and should, recognise the pain of 'the austerity measures being imposed upon the Council as a whole.' This would also result in a further saving on Special Responsibility Allowances, 16 of which would now be paid compared to a total of 18 which the Council was entitled to award.

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The new Portfolios and responsibilities of the six Cabinet Members were tabled for Members' information and are set out below:

- Two portfolio titles change as a result of the resignation of the Cabinet Member for the Environment and Visible Services;
- The Cabinet Member for Regeneration, Innovation, Planning and Transportation now becomes **Cabinet Member for Regeneration**
- The Cabinet Member for Leisure, Parks, Culture and Sports Development now becomes **Cabinet Member for Visible and Leisure Services**
- The portfolio responsibilities held by the Cabinet Member for the Environment and Visible Services have been split between the Cabinet Member for Housing, Building Maintenance and Community Safety and the Cabinet Member for Visible and Leisure Services.
- In addition some portfolio titles held by the Cabinet Member for Visible and Leisure Services have been moved to the Cabinet Member for Regeneration.
- Changes to portfolios are outlined in bold under the portfolio headings below and represent a change of title or additional responsibility.

**Councillor Neil Moore - Executive Leader and Cabinet Member for Corporate Resources**

- Managing Director's Office
- Community Consultation
- Community Strategy
- Complaints Monitoring
- Consultancy Services
- Corporate Image and Communications
- Customer Care
- Democratic Services
- Employee Relations
- Employee Training
- Employment Land and Buildings
- Equalities
- Financial Services and Budget
- Housing Benefits and Rent Rebates
- Human Resources Strategy
- Improvement Plan, Action Plans and Monitoring
- Information and Communication Technology
- Land and Property Management
- Legal Services
- Member Development
- Members' Services

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- OneVale and E-Government
- Organisational Development and Motivation
- Performance Monitoring
- Recruitment and Retention
- Registration Service
- Risk Assessment
- Sickness and Absenteeism
- Strategic Policy and Corporate Plan
- Sustainable Development
- Town Twinning

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**Councillor Stuart Egan - Deputy Leader and Cabinet Member for Adult Services**

- Adult Services
  - Adult Training
  - Adults Advice and Assessment
  - Adult Community Care
  - Catering
  - Community Education
  - Elderly Persons' Homes
  - Family Support
  - Health Liaison
  - Home Care
  - Library and Information Service
  - Lifelong Learning
  - Mental Health Services for Adults
  - Services for Adults with Disabilities / Impairment
  - Special Needs
  - Vale Consortium for Education and Training (VLN)
  - Voluntary Sector Inclusion – for Adults
- Such other executive functions as are set out in the Constitution, as the Leader may allocate to each portfolio from time to time.”

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**Councillor Bronwen Brooks – Cabinet Member for Housing, Building Maintenance and Community Safety**

- Allocations
- Building Maintenance
- **Building Cleaning**
- Community Safety (including Section 17 responsibilities)
- Crime and Disorder Audit Strategy
- Environmental Health and Pollution Control

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- Emergency Planning
  - Health and Safety
  - Home Office Related Issues
  - Homelessness and Travellers (including sites)
  - Housing Investment
  - Housing Strategy
  - Identification of Housing Need and Accommodation
  - Licensing
  - Private Sector Housing
  - Pest Control
  - Probation Service Liaison
  - Social Housing Responsibilities
  - **Security**
  - Specialist Services
  - Trading Standards
  - Tenant Services
- Such other executive functions as are set out in the Constitution, as the Leader may allocate to each portfolio from time to time.”



### **Councillor Lis Burnett – Cabinet Member for Regeneration**

- **Arts Culture and Heritage**
- Barry Regeneration
- Business Support and Innovation
- Community Regeneration
- **Commons**
- **Country Parks**
- **Countryside Services**
- Conservation Issues
- **Development Management and Building Control**
- Economic Development
- **Ecology**
- **Events**
- **Heritage Coast**
- Inward Investment
- Local Development Plan
- **Landscape Design**
- Marketing
- Planning Policy
- Public and School Transportation
- **Public Rights of Way**
- Road Safety
- Rural Regeneration
- **Regeneration Projects**
- St. Athan and Cardiff Airport Enterprise Zone



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- **Sustainable Transport and Active Travel**
  - **Tourism and Visitor Information**
  - Town Centre Management and Development
  - Transport Plans (Local and Regional)
- Such other executive functions as are set out in the Constitution, as the Leader may allocate to each portfolio from time to time.”



### **Councillor Chris Elmore – Cabinet Member for Children’s Services and Schools**

- Children’s Services
  - Children’s Community Care
  - Education Advice and Assessment
  - Early Years Education Provision
  - Education Strategic Planning
  - Education Welfare
  - Governor Support and Training
  - Inclusion and Access
  - Mental Health Services for Children
  - Pupil Referral Unit (EBD unit and Amelia Trust unit)
  - School Funding and Support
  - School Improvement
  - School Admissions
  - Services for Children with Disabilities / Impairment
  - Special Educational Needs
  - Special Needs
  - Voluntary Sector Inclusion for Children
  - Youth Offending Team (YOT)
  - Youth Service
- Such other executive functions as are set out in the Constitution, as the Leader may allocate to each portfolio from time to time.”



### **Councillor Gwyn John - Cabinet Member for Visible and Leisure Services**

- Beach Management
- Car Parks
- Community Centres
- **Engineering Design**
- **Fleet Maintenance**
- **Flood Risk Management and Coastal Protection**

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- **Grass Verge and Roundabout Maintenance**
  - **Highway Development**
  - **Highway Maintenance**
  - **Highway Structures, including Bridges**
  - **Highway Tree Services**
  - **Highway Waste Management**
  - Leisure Management (including Sports and Leisure Centres)
  - Parks and Grounds Maintenance (Including Sports Grounds)
  - Play Areas
  - **Public Toilets**
  - **Recycling**
  - Sports Development
  - **Street Lighting**
  - Traffic Management
  - **Waste Transfer and Disposal**
  - Water Safety
- Such other executive functions as are set out in the Constitution, as the Leader may allocate to each portfolio from time to time.”
- The Leader also referred to the recent rejection by the Minister of the Council’s Expression of Interest in merging with Bridgend County Borough Council. He wished Members to be clear that he was bitterly disappointed and, indeed, angry at the Minister’s rejection of the very comprehensive submission.

He was particularly concerned that, notwithstanding the fact that he and the Leader of Bridgend had met with the Minister prior to the submission of a bid, and had emphasised that the bid would not be progressed if there was an issue around health boundaries, no such indication of a problem had been given. The decision was also surprising given that both Health Authorities had supported the bid. The decision had meant that the Council had been denied the opportunity to prove, by the submission of a comprehensive business case, that the two Councils could, indeed, work across health boundaries.

In concluding, the Leader considered the Minister’s decision to be regrettable, but also to “lay bare false accusations” that had been thrown at him during the last Council meeting that he had been ‘bullied’ by either the Minister or the Labour Party, both of whom, he believed, had failed him, the Council and the residents it represented.

928 PETITION -

The following petition was received:

- Petition from residents calling upon the Council to undertake all necessary steps to ensure that all construction traffic associated with

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the Waterfront Development uses the approved route (submitted by the Mayor).

929 NOMINATION OF MAYOR ELECT AND DEPUTY MAYOR ELECT FOR THE MUNICIPAL YEAR 2015/16 (MD) -

Section 22 of the Local Government Act 1972 provided for the Chairman of the Principal Council to be elected annually by the Council from among the Councillors. Section 23 of the Act provided for the election of the Chairman to be the first business transacted at the Annual Meeting of the Principal Council. Section 25A of the Local Government Act 2000 provided that the Chairman of the Council was entitled to the style of 'Mayor' or 'Maer'. On 30<sup>th</sup> October, 2002 the Cabinet considered the legal provision relating to the style of Mayor and +resolved that the entitlement of the Chairman to use the style be supported and introduced with effect from the Annual Meeting of the Council in 2003.

It had also been decided to nominate a Deputy Mayor Elect at this meeting.

Councillor Anthony Powell moved that Councillor Fred Johnson be nominated as Mayor of the Council for 2015/16, the proposal being duly seconded.

Councillor Fred Johnson moved that Councillor Margaret Wilkinson be nominated as the Deputy Mayor of the Council for 2015/16, the proposal being duly seconded.

Councillor Bertin indicated that the Independent Group would be abstaining from the votes. Councillor Hartrey abstained in respect of the vote regarding the Deputy Mayor.

Upon being put to the vote it was

RESOLVED -

(1) T H A T Councillor Fred Johnson be nominated for election as Mayor at the Annual Meeting to be held on 13<sup>th</sup> May, 2015.

(2) T H A T Councillor Margaret Wilkinson be nominated for election as Deputy Mayor at the Annual Meeting to be held on 13<sup>th</sup> May, 2015.

930 CONSULTATION WITH NON-DOMESTIC RATEPAYERS (MD) -

In accordance with Section 65 of the Local Government Finance Act 1992, the Council had consulted with representatives of local non-domestic ratepayers regarding the current, and preceding years' expenditure proposals. An advertisement had been placed in the press and representations had been invited. No responses had been received.

RESOLVED - T H A T the position be noted.

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931 TEMPORARY EXTENSION OF LOCAL GOVERNMENT PENSION SCHEME (LGPS) DISCRETIONS (MD) -

Councillor Gwyn Roberts left the meeting for the duration of this item, given that his partner was employed within the Service Area concerned in Cardiff Council.

Plans were in place to transfer approximately 175 staff from Bridgend and Cardiff Councils on 1<sup>st</sup> April 2015 (or shortly thereafter) as part of the Shared Regionalised Regulatory Services project.

The project was approved by Council on 12<sup>th</sup> November 2014 and by the other two Councils on 22<sup>nd</sup> and 28<sup>th</sup> October 2014 respectively. It had been agreed by all three Councils that the Vale of Glamorgan would be the Host Authority and, therefore, the contractual employer for existing and transferring staff.

Final arrangements were now being progressed for the transfer of staff on 1<sup>st</sup> April 2015 (or shortly thereafter), subject to the signing of the relevant Joint Working Agreement by the Council's Managing Director and the two Chief Executives from Bridgend and Cardiff.

The transfer was being managed in accordance with the spirit of the Transfer of Undertaking (Protection of Employment) Regulations 2006 (as amended). This would mean that the contractual terms and conditions of all transferring staff would be protected at the point of transfer. Following the transfer of staff, a consultation exercise with staff and the Trade Unions would commence in relation to the restructuring of the service and the proposed implementation of a new operating model. Such a process would be important to ensure the future resilience of the service and, in particular, its ability to absorb savings requirements through the sharing of resources, streamlining of processes and the exploitation of new business opportunities.

Indicative figures suggested that, as part of the restructuring process, there would be a reduction of approximately 19 FTE posts across the three Councils (equating to a 10% staffing reduction overall). It was anticipated that such reductions would be managed during the first 12 months following the transfer of staff. Each Council had agreed to fund any severance costs associated with the redundancy or retirement of employees who were formally employed by that Council.

Each Council, however, had different discretionary arrangements in relation to severance compensation, which were set out in each Council's Local Government pension Scheme (LGPS) Discretions Policy. The Council's own Discretionary Policy was reviewed by Cabinet on 30th June 2014 and was attached at Appendix A to the report to Council. The different discretionary severance arrangements across the Vale of Glamorgan, Cardiff and Bridgend Councils were summarised in Appendix B and detailed in the various schemes at Appendices C, D and E to the report.

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It was proposed that, for the first 12 months following the transfer of staff, the Council's Discretions Policy be extended to accommodate the specific redundancy and "interest of the efficiency" retirement discretions from Cardiff and Bridgend Council as summarised in Appendix B and detailed in Appendices D and E to the report.

Whilst the severance discretions were not considered to be a contractual term requiring protection under TUPE Regulations, it was felt that the honouring of such terms for a limited period of 12 months would be a fair and reasonable measure given the imminence of the post transfer restructuring arrangements and the potential implications for staff. The proposals would mean that the severance provisions relating to staff who transferred would be no different to those that were in place for employees who were not transferring but who might be subject to a restructuring process in their own Council.

In accordance with the above, it was proposed that the Council's Early Retirement / Redundancy Committee acquire the necessary authority to approve severance payments for staff formerly employed by Cardiff and Bridgend Councils and in accordance with such severance arrangements inherited from those Councils.

At the end of the 12 month period it was proposed that the above arrangements would end and the Council's existing Discretions Policy would apply to all remaining staff. All other provisions of the Council's Discretions Policy would be unaffected.

The terms of the Joint Working Agreement would indicate that the costs of severance in the first 12 months following transfer would be borne by the Council with whom the relevant employee was employed immediately before the transfer date.

RESOLVED - T H A T the Council's Local Government Pension Scheme (LGPS) Discretions Policy be extended in line with the proposals set out in paragraphs 12, 15 and 16 of the report to Council and for a period of one year, subject to the transfer of Regulatory Services staff from Bridgend and Cardiff Councils.

#### 932 INDEPENDENT MEMBERS SERVING ON THE COUNCIL'S STANDARDS COMMITTEE (MO) -

The appointment of independent members was governed by the Standards Committee (Wales) Regulations 2001 ("the Regulations"). Paragraph 20 of the Regulations provided that the term of office of a member of the Standards Committee who was an independent member of the Committee should be not less than, four nor more than six, years.

The Council had five independent members, three (Mr. D. Carsley, Mr. A.J. Lane and Mrs. M.J. Pearce) whose terms of office would expire on 14<sup>th</sup> March 2015, one (Mr. J. Baker) whose term of office would expire on 15<sup>th</sup> September 2015 and one (Mr. A.G. Hallett) whose term would expire on

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19<sup>th</sup> July 2017. Mr. Carsley, Mr. Lane and Mrs. Pearce were appointed to the Standards Committee on 15<sup>th</sup> March, 2011 for a period of four years.

The Welsh Assembly Government issued amendment Regulations in 2006 providing for a second term of office for independent members, given its view that the operation of the original Regulations preventing an independent member serving more than one term was unreasonably restrictive and was causing practical difficulties.

Apart from the lengthy process of recruiting independent members, a number of Authorities had experienced difficulties in appointing members and many felt that the experience gained by such members over the first years following their appointment to the Standards Committee would be lost if Authorities were required to appoint and train new members.

The main amendments introduced in 2006 which affected the Council's current working arrangements in respect of independent members were as follows:

- An independent member of the Standards Committee of a relevant authority may be reappointed by the relevant Authority for one further consecutive term which shall not exceed four years.
- In reappointing an independent member, the Council is not obliged to comply with the advertising and recruitment requirements imposed by the 2001 Regulations.
- No business shall be transacted at a meeting of the Standards Committee unless -
  - (a) at least three members are present, including the chairperson; and
  - (b) at least half the members present (including the chairperson) are independent members.

The Council had exercised this power in the past in respect of the Chairman of the Standards Committee, Mr. Hallett.

RESOLVED - T H A T Mr. D. Carsley, Mr. A.J. Lane and Mrs. M.J. Pearce be appointed for a further term of four years, to take effect on the expiry of their current terms of office.

### 933 SENIOR MANAGEMENT APPOINTMENT AND GRADING/SALARY ISSUES (REF) -

Cabinet on 23<sup>rd</sup> February, 2015 had considered, and endorsed, proposals in relation to the recruitment and remuneration of the Council's Section 151 Officer and the salary of two other Heads of Service, prior to submission to, and approval by, Council. The plans to review the Senior Management structure were as a result of the forthcoming retirement of the current Managing Director/Director of Resources.

No.

Subject to the proposals being approved by Full Council, they would be incorporated in the Employee Pay Policy at Appendix A, to be considered as the next item on the agenda.

RESOLVED -

(1) T H A T a permanent change to the role and salary of the post of Head of Finance, as set out in paragraphs 8 to 20 of the report to Cabinet on 23<sup>rd</sup> February, 2015, and in the light of the retirement of the current post holder, be endorsed.

(2) T H A T arrangements be made to recruit to the revised Head of Finance / Section 151 Officer post under the auspices of the Senior Management Appointment Committee and that the job description and person specification attached at Appendix A and B to the report to Cabinet on 23<sup>rd</sup> February, 2015, be used as the basis for that process.

(3) T H A T the changes to the salary of the Head of Adult Services / LHB Locality Manager as set out in paragraphs 21 to 31 of the report to Cabinet on 23<sup>rd</sup> February, 2015 be endorsed.

(4) T H A T delegated authority be granted to the Head of Human Resources, in consultation with the Leader, to authorise the starting salary for the successful candidate for the post of Head of Regulatory Services in accordance with the proposals as set out in paragraphs 32 to 41 of the report to Cabinet on 23<sup>rd</sup> February, 2015.

(5) T H A T the necessary revisions to reflect resolutions (1) to (4) above be made to the Council's 2015/16 Employee Pay Policy.

934 EMPLOYEE PAY POLICY (2015/16) (LEADER) -

With the exception of the Principal Scrutiny and Democratic Services Officer, all other officers left the meeting for the duration of this item and the following agenda item relating to Senior Management Appointment and Grading/Salary issues.

The Council had a statutory requirement under the Localism Act 2011 to prepare a pay policy statement for each financial year. The first statement was approved by Council in March 2012. The Policy had been produced on the basis of statutory guidance, advice from the Welsh Local Government Association and guidance from Welsh Government.

The Policy also reflected comments following consideration by Cabinet on 9<sup>th</sup> February 2015 and Scrutiny Committee (Corporate Resources) on 10<sup>th</sup> February 2015. It would provide a framework for ensuring that employees were rewarded fairly and objectively, in accordance with the service needs of the Council and that there was openness and transparency in relation to the process.

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The Employee Pay Policy attached at Appendix A to the report to Council had been produced in accordance with the requirements of section 38 (1) of the Localism Act 2011. The Act required all local authorities to develop and make public their policy on all aspects of Chief Officer remuneration.

Notwithstanding the above, efforts had continued to be made to take a broader approach to the requirements of the Act and, as such, reference had been made to the pay of other relevant groups within the policy statement. In addition, the Policy set out remuneration arrangements for staff undertaking duties in respect of elections and referenda/ballots.

For 2015/16 the Pay Policy had also been revised to incorporate the following:-

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- Updated guidance from Welsh Government as issued in February 2014
- Changes as prescribed by the Local Authorities Standing Orders (Wales) (Amendment) Regulations 2014 which took effect from 1<sup>st</sup> July 2014
- The details of a national pay award for employees covered by the National Joint Council for Local Government Services
- The outcome of a local collective agreement in relation to the removal of telephone allowances and the phasing out of remaining essential car user allowance payments
- Comments of Scrutiny Committees, as referred to above. This included additional information about Chief Officer pay at paragraph 6.9, severance payments at paragraph 8.4 and comparative pay relativity at paragraphs 10.1 and 10.2.

A particular change as set out in the Local Authorities (Standing Orders) (Wales) (Amendment) Regulations 2014 was the introduction of the requirement that: "The relevant authority must determine the level, and any change in the level, of the remuneration to be paid to a chief officer"

The impact of this amendment was that all changes to Chief Officer pay must be voted on by Full Council, not just those which were determined locally. This included any pay rises which had been nationally negotiated by the JNC and these now could not be paid, unless, and until, they had been agreed by Full Council. As the Chief Officers of this authority were employed under JNC terms and conditions which were incorporated into their contracts of employment, they would be contractually entitled to any JNC pay rises and a decision to withhold payment could result in an unlawful deduction from wages or breach of contract.

Clearly seeking full Council's determination to pay JNC nationally agreed pay rises each time they are agreed was likely to cause delay in payment and potentially an inappropriate use of the time and resources of elected Members. The Welsh Local Government association (WLGA) had, therefore, pursued this matter with Welsh Government on behalf of Councils in order to seek a pragmatic solution. As a result, it had been agreed that the requirement that Full Council must determine nationally agreed contractually



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entitled pay rises for Chief Officers could be met by full Council agreeing to include a suitable clause in their Pay Policy Statements to cover this issue.

The relevant clause was included at paragraph 6.9 and 6.10 of the revised Pay Policy statement and included the advised wording as follows:

"The Council employs Chief Officers under JNC terms and conditions which are incorporated in their contracts. The JNC for Chief Officers negotiates on national (UK) annual cost of living pay increases for this group, and any award of same is determined on this basis. Chief Officers employed under JNC terms and conditions are contractually entitled to any national JNC determined pay rises and this Council will therefore pay these as and when determined in accordance with current contractual requirements".

In anticipation of the above clause being approved, the pay rates set out in paragraph 6.11 had been revised to reflect the recently agreed JNC cost of living award for Chief Officers as attached at Appendix C to the report.

Should the Council at any time decide that it did not wish to implement nationally negotiated NJC pay increases then that would need to be a decision of Full Council, and the Pay Policy Statement would need to be amended to reflect that decision.

The copy of the Employee Pay Policy attached at Appendix A to the report had been drafted in anticipation of Members' consideration and approval of a separate report on the Council agenda (Senior Management Appointments and Grading/Salary issues). If the proposals in that report had been approved under the previous agenda item.

The Council's Pay Policy needed to be approved and re-published by the 31<sup>st</sup> March 2015 in order to comply with the provisions of the Localism Act. The Policy would be updated as appropriate later in the year to take into account any changes to the Council's senior management structure resulting from the Managing Director's recent decision to retire from her post.

The proposals set out in this report raised a number of potential conflicts of interest for members of the Council's Corporate Management Team. In view of this, advice had been sought and received from the Welsh Local Government Association (WLGA) on the updating of the Policy and particularly in relation to issues set out in paragraphs 11 to 18. The Director of Employment from the WLGA was in attendance at the meeting to deal with any questions or points of clarification required.

RESOLVED -

- (1) T H A T the required changes to the Council's Employee Pay Policy for 2015/16 as set out in the report be noted.
- (2) T H A T the particular references to potential changes to the pay for Chief Officers as a result of annual pay awards as set out in paragraphs 11-18 of the report be noted and approved.

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(3) T H A T the revised salary references for Chief Officers following the recent JNC agreed cost of living pay increase as set out in paragraph 6.11 of the Employee Pay Policy 2015/16, attached as Appendix A to the report, be noted.

(4) T H A T the Employee Pay Policy 2015/16, attached as Appendix A to the report, be approved.

935 LOCAL HOUSING STRATEGY 2015-2020 (REF) -

Cabinet on 26<sup>th</sup> January, 2015 had considered and agreed for forwarding to Full Council for approval the Local Housing Strategy 2015-2020.

RESOLVED - T H A T the the Local Housing Strategy 2015-20 be approved.

936 CAPITAL MONITORING REPORT FOR THE PERIOD 1<sup>ST</sup> APRIL TO 30<sup>TH</sup> NOVEMBER, 2014 (REF) -

RESOLVED - T H A T the proposals of the Cabinet, as set out in Cabinet Minute No. C2641, 23<sup>rd</sup> February, 2015, be approved.

937 CAPITAL MONITORING REPORT FOR THE PERIOD 1<sup>ST</sup> APRIL TO 31<sup>ST</sup> DECEMBER, 2014 (REF) -

(Councillor Howard Hamilton (Mayor) left the meeting during consideration of the element of the report relating to Oakfield Primary School (see resolution (2) below).

RESOLVED –

(1) T H A T the proposals of the Cabinet, as set out in Cabinet Minute No. C2647, 23<sup>rd</sup> February, 2015, with the exception of Oakfield Primary School, be approved.

(2) T H A T the proposals of the Cabinet, as set out in Cabinet Minute No. C2647, 23<sup>rd</sup> February, 2015, in relation to Oakfield Primary School, be approved.

938 TREASURY MANAGEMENT (REF) -

RESOLVED - T H A T the proposals of the Cabinet, as set out in Cabinet Minute No. C2649, 23<sup>rd</sup> February, 2015, be approved.

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## 939 FINAL HOUSING REVENUE ACCOUNT (HRA) BUDGET PROPOSALS 2015/16 (REF) -

In introducing the report, the Leader reminded Members that the proposals had been submitted to all five Scrutiny Committees, with no issues having been raised by Members during that process.

The purpose of the report was to set the Housing revenue account (HRA) budget for the financial year 2015/16 and to set the rents and service charges for the forthcoming rent year beginning on 6 April, 2015.

Each local housing authority was required under Section 74 of the 1989 Local Government and Housing Act, to keep a Housing Revenue Account. Section 76 of the Act required local authorities to set a budget for their Housing Revenue Account (HRA) on an annual basis. The budget must be such that the Housing Revenue Account was not in deficit at the year end.

In previous years the level of rent increase had been based on the Housing Subsidy Determination issued by the Welsh Government (WG). However, WG had changed the basis for rent increases as part of the new Policy for Social Housing Rents. The new rent policy would apply to local housing authorities from April 2015 (regardless of whether exit from the HRA subsidy system had occurred). The policy set a target rent band for each Authority. If the average weekly rent was below the lower end of the target rent band, the Authority was expected to increase average rents. If the average rent was above the target rent band, then the Authority was expected to increase rents at a rate lower than the guideline rent increase. The 2015/16 rent bands for each local authority were issued on 23<sup>rd</sup> December, 2014. The agreed increase was 2.7%, this being the agreed CPI (as at September 2014) plus 1.5% laid out in the new rent policy. However, the Council would need to increase its rents by a minimum of 3.3% to ensure rents were within the lower limit of the rent band.

The initial HRA budget proposals were considered by Cabinet on 17<sup>th</sup> November, 2014 (Minute No. C2532). They were subsequently referred to the Housing and Public Protection Scrutiny Committee on 3<sup>rd</sup> December, 2014, who noted the proposals, as did Scrutiny Committee (Corporate Resources) on 9<sup>th</sup> December, 2014.

### **Base Budget 2015/16**

The Budget Strategy for 2015/16 outlined that, in order to establish a baseline, services should prepare revenue budgets for next year based on the cost of providing the current level of service and approved policy decisions. This meant that the cost of price increases and pay awards should be included.

Due to the nature of the HRA, in that it was ring-fenced and any growth had to be funded from the balance, no cost pressures had been formally identified. The budget was presented in the traditional objective analysis format.

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The proposed 2015/16 budget was set out at Appendix 1 attached to the report.

- HRA (General) - This budget head related to net income from rents and service charges as well as general expenditure such as Tenant Participation Groups.
- Housing Repairs - This budget related to the revenue repairs and maintenance service for the Council Housing Stock.
- HRA Subsidy Payable - This budget related to the estimated proportion of rent payable to WG.
- General Management - This budget head related to the general management of the Council's housing stock, for work carried out within the Housing service, and for various issues relating to the Council tenancies excluding the repairs and maintenance function.
- Special Services - This budget related to the running expenses and the cost of staff employed directly within the Housing service, in relation to functions such as sheltered housing schemes, running the hostel and temporary accommodation.
- Capital Expenditure from Revenue Account (CERA) - This budget related to a contribution made from the Housing Revenue Account to fund capital expenditure.
- Central Support and Operational Building Charges - This budget related to the services provided by other Departments within the Council, and the cost of office accommodation occupied by the Housing Services staff.
- Capital Financing - Costs associated with financing debt.

In summary the change in the budget was itemised as follows:-

2014/15 Original Budget	Inflation / Pay Award	Committed Growth / (Savings)	Estimated Rent Increase	2015/16 Proposed Budget
£000	£000	£000	£000	£000
3,514	99	(3,163)	(579)	(129)

The committed savings of £3,163,000 were due to a number of factors:

- A saving associated with the exit of the HRA Subsidy System, assuming the exit went ahead in April 2015, of £5,043,000.
- There was a decrease in the available CERA budget of £4,502,000 to finance the Housing Improvement Programme and meet Welsh Housing Quality Standards by 2017. This decrease was required to ensure the Housing Revenue Account balance remained within an acceptable limit.
- A £37,000 decrease in Central Support recharges.
- Further savings of £177,000 for 2015/16.

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These had been partially offset by:

- An increase in Capital Financing charges of £4,306,000. £3,988,000 related to financing of the intended HRAS Subsidy exit, a further £318,000 was due to increased borrowing in the year required to finance the Housing Improvement Programme.
- Increase in Repairs budget to accommodate works to void properties £633,000 and £300,000 for an external painting programme.
- Additional Staffing costs of £317,000 per annum to support any redevelopment project and tenant management, anti-social behaviour co-ordinators and two estate handy-persons.
- An increase in the Bad Debt Provision adjustment of £940,000. This represented 6% of gross annual rents, compared to 0.95% in 2014/15. This was thought to be a prudent step, in line with similar Authorities' plans. This should allow for any negative impacts of Welfare Reform, and, in particular, the Universal Credit on rent collection.
- It was also anticipated that, should the Universal Credit be adopted in the Vale of Glamorgan during the year, additional resources would be required at £100,000 per annum. However, this would be closely monitored.

### **Proposed Increases in Rents**

The rent policy set a target rent band for each landlord and landlords would be required to operate with average weekly rent levels that fell within the scope of those bands. The target rent band provided a low end figure, a mid-point and a high end figure for each landlord. The average weekly rent level for each social landlord was compared to the target rent band. Out of the eleven local housing authorities, nine would fall below their target rent band should they only apply a 2.7% increase. The Vale of Glamorgan was included in those nine.

The WG target rent band for the Vale of Glamorgan based on a 52 week rent year for 2015/16 was:

Low end - £86.11 per week  
Mid-point - £90.64 per week  
High end - £95.17 per week.

The equivalent average rent for comparison purposes for 2014/15 was £83.36 per week. A 2.7% increase on this average rent equated to £85.61, which was 50p below the low end rent band. Therefore, a further increase of 0.60% would be necessary to comply with the new rent policy.

There were 3 options for rent increase:-

Option 1 - increase by the absolute minimum allowable by WG, 3.3%. This would generate an average rent of £86.11, comply with the new rent policy, but would translate to an increase in the required borrowing for the Housing Investment Plan of £149,000.

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Option 2 - increase by 3.5%., This would generate an average rent of £86.28, comply with the new rent policy, and not impact on the level of borrowing required for the Housing Business Plan.

Option 3 - increase by the maximum allowable by WG 4.3%., This would generate an average rent of £86.95, comply with the new rent policy, and, reduce the level of borrowing required to fund the Housing Investment Programme by approximately £578,000.

It was usual practice that the Vale of Glamorgan only increased rent by an amount specified via Department for Work and Pensions (DWP) to prevent a breach of the Housing Benefit Rent Rebate Limitations. Breach of the limitation would mean that the HRA would be liable for a proportion of the additional increase. At this stage, however, details regarding the DWP limit under the new rent policy were unknown.

A 3.5% rent increase would equate to a £2.92 per week increased, based on a 52 week rent. The Council would charge rents over 50 weeks in 2015/16. The equivalent average weekly rent increase was £3.04 per week.

The target rent increase per property type based on an increase of 3.5% was detailed below:

Type	Present Target Rent for 2014/15 (Based on 50 Chargeable Wks)	Proposed Average Rent Incr (+)/ Decr (-) (Based on 50 Chargeable Wks)	Proposed Average Target Rent for 2015/16 (Based on 50 Chargeable Wks)
Bungalow	£85.42 per week	+£2.99 per week	£88.41 per week
Flat	£74.59 per week	+£2.61 per week	£77.20 per week
House	£92.93 per week	+£3.26 per week	£96.19 per week
Maisonette	£81.51 per week	+£2.86 per week	£84.37 per week
<b>TOTAL</b>	<b>£85.13 per week</b>	<b>+£2.99 per week</b>	<b>£88.12 per week</b>

### Proposed Increases in Other Charges

Garage Rents - The rent of freestanding garages was currently £6.84 per week. It was proposed that rent for all garages be increased by 3.5% to £7.08 per week. This percentage increase was in line with the recommended increase to dwelling rents.

Ty lolo Hostel - The current charge for persons accommodated was £153.88 per week. It was proposed that the weekly rent charge be increased by 3.5% to £159.27 per week. As rooms at the hostel were classified as HRA dwellings, the rents charged were also subject to Housing Benefit Rent Rebate Limitations, which meant that hostel rents should be in line with recommended rent increase.

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28 Evans Street, Barry - This property, owned by the Council, was let to Llamau Housing Trust and comprised of six units of accommodation. The current weekly charge was £513.00. It was proposed that the charge be increased by a maximum of 3.5%, in line with the recommended increase for the Hostel. The weekly charge would therefore be £530.96 per week.

Temporary Accommodation - The average current weekly charge including additional management, utility and service charge costs was £152.22. It was proposed that the rent element be increased by a maximum of 3.5%, in line with the WG recommended guideline increase. The weekly charge would therefore be £157.55 per week.

Sheltered Housing Guest Suites - It was proposed that the charges for guest room facilities be increased by 3.5% to £11.87 per person per night for double occupancy and £16.97 for single occupancy.

Vale Community Alarm Service (VCAS) - This was a charge that formed part of the inclusive rent, but was separately identifiable. It had been proposed to increase the VCAS charges by 3.5%.

The charges in the following paragraphs were based on the agreed Service Charge Policy, which stated that charges would be based on the best estimated cost of providing the service in the forthcoming year, using prior year's information and any known contract costs:-

Heating - The cost of providing heating to sheltered properties had decreased. It was proposed that the charge be decreased from £9.37 per week to £8.51 per week based on the actual costs incurred in the 12 months prior to the budgeting period.

Warden Management and Support Charge - The cost of providing Warden Management and Support had reduced, this was based on actual costs incurred in the 12 months prior to the budgeting period. The proposed charge for the Warden Management element was £2.81 per week, and the proposed charge for the Warden Support element was £5.63 per week.

Lift Maintenance - The cost of lift maintenance had increased, largely due to an increase in the number of emergency call-outs. It was proposed that the charge be increased from £0.49 per week to £1.44 per week based on the actual costs incurred in the 12 months prior to the budgeting period.

Door Entry - The cost of providing maintenance on the door entry systems had increased. It was proposed that the charge be increased from £0.28 per week to £1.31 per week based on the actual costs incurred in the 12 months prior to the budgeting period.

Sewerage Treatment Plants - The charge to owners of all purchased and private dwellings connected to Council owned and maintained treatment plants was currently £332.92 per annum, based on the average charge payable if the properties were connected to the main sewerage system. It was proposed that these dwellings continue to be charged at a similar

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sewerage rates to the Water Schedule 2015/16 issued by Dwr Cymru Welsh Water.

RESOLVED -

(1) T H A T the Final Housing Revenue Account (HRA) Budget proposals for 2015/16 as outlined below be approved:

	<b>Proposed Budget 2015/16</b>
	£'000
HRA General	(15,416)
Housing Repairs	3,547
General Management	1,688
Special Services	682
Capital Expenditure from Revenue Account (CERA)	3,485
Central Support & Operational Buildings	1,239
Capital Financing	4,646
<b>(Surplus)/Deficit for the Year</b>	<b>(129)</b>
Working Balance Brought Forward	(2,892)
<b>Working Balance Carried Forward</b>	<b>(3,021)</b>

(2) T H A T the increases suggested for rent, as set out in paragraphs 12-23 of the report to Cabinet on 23<sup>rd</sup> February, 2015 be approved.

(3) T H A T the increase suggested for other services, as set out in paragraphs 24-35 of the report to Cabinet on 23<sup>rd</sup> February, 2015 be approved.

(4) T H A T the following charges for the 2015/16 financial year be approved:

<b>50 Week Basis</b>	<b>Current Charges</b>	<b>Proposed Charges</b>
Heating	£9.37 per week	£8.51 per week
Warden Support Charge	£7.08 per week	£5.63 per week
Warden Management Charge	£3.54 per week	£2.81 per week



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VCAS: - Piper - Communicall	£4.19 per week £4.75 per week	£4.34 per week £4.92 per week
Grounds Maintenance	£1.24 per week	£1.27 per week
Cleaning of communal areas	£1.83 per week	£1.80 per week
Lighting of communal areas	£1.12 per week	£1.16 per week
Laundry Facilities	£0.23 per week	£0.27 per week
Window Cleaning	£0.28 per week	£0.29 per week
Lift Maintenance	£0.49 per week	£1.44 per week
Door Entry	£0.28 per week	£1.31 per week
Intercom	£1.00 per week	£1.06 per week
Sewerage Treatment Plants	£332.92 per annum	Based on the Rateable Value (RV) from the Welsh Water Schedule 2015-16

(5) T H A T all changes to rents and service charges be implemented from 6<sup>th</sup> April, 2015 and that increase notices be sent to tenants 28 days in advance of the new charges coming into effect.

#### 940 FINAL CAPITAL PROPOSALS 2015/16 TO 2019/20 (REF) -

In introducing the report, the Leader reminded Members that the proposals had been considered by all five Scrutiny Committees. He reminded Members of the Declarations of Interest made at the beginning of the meeting by those Members who were School Governors on various schools affected by the Council's School Investment Programme. Given those Declarations of Interest, he indicated that he would ask Council to firstly consider recommendations (1) - (6) of Cabinet of 23<sup>rd</sup> February, 2015, with the exception of those schools listed in Appendix A as listed in the information tabled at the Council meeting ( and also including Bryn Hafren Comprehensive School added to the list).

Following a query from Councillor James, regarding the Leader's proposal to take the report in two separate parts, Standing Orders were waived to allow the Monitoring Officer to provide advice. The Monitoring Officer confirmed that the advice she had given prior to the meeting to all Councillors (and as tabled at the meeting) was designed to ensure they were not precluded from

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the debate on the wider Capital Programme simply because of having had to declare an interest in a particular school or schools.

(N.B Councillors Janice Birch, Howard Hamilton, Val Hartrey and Nic Hodges left the meeting prior to the commencement of discussion in respect of resolution (7) below, given they were Minor Authority Governors on certain schools affected.

The Initial Capital Programme Proposals 2015/16 to 2019/20 were considered by Cabinet on 17<sup>th</sup> November, 2014 (Minute No. C2534). They were subsequently referred to Scrutiny Committees in December 2014.

In responding to the Initial Capital Programme Proposals, Corporate Resources Scrutiny Committee, at its meeting on the 9<sup>th</sup> December, 2014 (Minute No. 682), recommended that the initial Capital Budget Proposals for 2015/16 be endorsed. No recommendations were made by the other four Scrutiny Committees.

The minutes and recommendations of Scrutiny Committee (Corporate Resources) were referred to Cabinet on 12<sup>th</sup> January, 2015 (Minute No.C2599) and, as no recommendations were made, Cabinet recommended that the Initial Capital Budget Proposals for 2015/16 be endorsed.

On 10<sup>th</sup> December, 2014, the Welsh Government announced the final 2015/16 General Capital funding settlement. There had been a £62K (1.13%) reduction in funding from 2014/15. There was no indication of the level of funding likely beyond 2015/16; therefore, in line with the approach adopted in the Medium Term Financial Plan, the proposals assumed a reduction of 10% in each year of the programme from 2016/17. On this basis, a table representing the capital funding from the Welsh Government was shown below:

<b>Resources from Welsh Government</b>	<b>15/16</b>	<b>16/17</b>	<b>17/18</b>	<b>18/19</b>	<b>19/20</b>
	£'000	£'000	£'000	£'000	£'000
Supported Borrowing - General Fund	3,398	3,058	2,752	2,477	2,229
General Capital Grant	2,068	1,861	1,675	1,507	1,356
<b>Total</b>	<b>5,466</b>	<b>4,919</b>	<b>4,427</b>	<b>3,984</b>	<b>3,585</b>

Another means of financing capital expenditure was through capital receipts resulting from the sale of assets. Receipts from the sale of Housing Revenue Account (HRA) assets could only be spent in the HRA and could not be used to finance General Fund capital schemes. As at 31<sup>st</sup> March, 2015, the forecast balance of useable capital receipts totalled £9.937m of which £1.225m was ring-fenced for Social Services and £0.074m was ring-fenced for Education. A further £0.455m general capital receipts, £0.163m ring-fenced Social Services capital receipts and £11.250m ring-fenced Education capital receipts for the School Investment Programme were estimated to be

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generated between 2015/16 and 2019/20. However, projected future capital receipts were not guaranteed.

HRA capital receipts arose from the sale of dwellings under the Right To Buy Act, of HRA land and other HRA assets. In the case of HRA receipts, regulations set out that receipts since 1<sup>st</sup> April, 2004 could only be used to fund HRA capital expenditure or to repay HRA debt. As at 31<sup>st</sup> March, 2015, the forecast balance of useable HRA capital receipts was nil. It was anticipated that receipts totalling £0.754m would be received during 2015/2016, and these would be used to fund the Housing Improvement Programme during the year. No further HRA receipts had been assumed.

If the schemes shown in Appendix A attached to the report were approved, the effect on General Fund useable capital receipts would be as shown in the following table.

<b>Capital Receipts</b>	<b>General</b>	<b>Ringfenced</b>	<b>Ringfenced</b>
		<b>Social Services</b>	<b>Education</b>
	£000	£000	£000
Balance as at 31st March 2015	8,638	1,225	74
Anticipated Required in 2015/16	-3,274	0	0
Anticipated Receipt in 2015/16	455	163	950
Balance as at 31st March 2016	5,819	1,388	1,024
Anticipated Required in 2016/17	-5,450	0	-1,684
Anticipated Receipt in 2016/17	0	0	2,000
Balance as at 31st March 2017	369	1,388	1,340
Anticipated Required in 2017/18	-23	-1388	0
Anticipated Receipt in 2017/18	0	0	5,500
Balance as at 31st March 2018	346	0	6,840
Anticipated Required in 2018/19	0	0	0
Anticipated Receipt in 2018/19	0	0	0
Balance as at 31st March 2019	346	0	6,840
Anticipated Required in 2019/20	-4	0	-1,404
Anticipated Receipt in 2019/20	0	0	2,800
Balance as at 31st March 2020	342	0	8,236
Anticipated Required to 2025/26	0	0	-8,186
Anticipated Receipts to 2025/26	0	0	0
Balance as at 31st March 2026	342	0	50

The Education Capital Programme utilised general capital receipts in addition to capital receipts ring-fenced for Education.

The capital receipt received in 2014/15 from the sale of Gardenhurst had been ring-fenced for Social Services capital expenditure. Options for its use were being explored by the Council. However, it was expected that all ring-

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fenced Social Services capital receipts would be utilised for older persons' accommodation in 2017/18.

Capital expenditure could also be funded by revenue contributions or the utilisation of existing reserves. A reserve was a sum of money that had been set aside by the Council for a specific purpose. They were voluntary and could be made when the Council determined. Advances could be made from a reserve for the purchase of assets, which were then repayable over the life of the asset and the reserve was constantly replenished, e.g. Vehicle Renewals Fund. Alternatively, schemes could be funded from reserves with no repayment. However, once spent that source of funding was lost.

One such reserve was the Project Fund which existed to finance capital and revenue projects. The aim of the Fund was to initially finance a project with repayment of such advances (including interest), where possible, being credited back to the fund. The estimated balance of the Fund as at 31<sup>st</sup> March, 2015 was £4.367m. The following table showed the projected position of the fund over the next five years.

<b>Project Fund Balance</b>	<b>£'000</b>
Estimated Balance as at 1st April 2015	4,367
Anticipated Requirements – 2015/16	(1,686)
Anticipated Receipts – 2015/16	40
Balance as at 31 <sup>st</sup> March 2016	2,721
Anticipated Requirements – 2016/17	(400)
Anticipated Receipts – 2016/17	0
Balance as at 31 <sup>st</sup> March 2017	2,321
Anticipated Requirements - 2017/18	(100)
Anticipated Receipts - 2017/18	0
Balance as at 31 <sup>st</sup> March 2018	2,221
Anticipated Requirements – 2018/19	0
Anticipated Receipts – 2018/19	0
Balance as at 31 <sup>st</sup> March 2019	2,221
Anticipated Requirements – 2019/20	0
Anticipated Receipts – 2019/20	0
Balance as at 31 <sup>st</sup> March 2020	2,221

In a similar vein, the Council had an IT Fund estimated at £4.382m as at the end of 2014/15. The Council relied heavily on technology to deliver its services and the Fund allowed investment in this infrastructure and also enabled the Council to exploit opportunities to reduce the cost of services. This was in accordance with a report from the Wales Audit Office in December 2012 entitled 'Use of Technology to Support Improvement and Efficiency in Local Government'. Best practice highlighted in the report recommended that 'A corporate technology development fund was used to fund all developments with commitment that efficiencies replenish funds'.

Other means of generating income to fund capital projects was through monies forthcoming under Section 106 planning obligations.

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Outside of the above, the Council was heavily dependent on specific grant funding to supplement its own resources if certain capital schemes were to be progressed. Generally, this came via Welsh Government, although contributions from other public sector organisations or associated bodies were also forthcoming. It was estimated that over the next 5 years, the level of specific grant funding for General Fund Capital Schemes was approximately £31.377m which was around £8.996m more than the level of General Capital Funding for the same period (£22.381m). Many of these schemes required a match funding contribution to be made by the Authority to the cost of the scheme.

When considering options for capital financing, the ability of the Council to finance the repayment of any loans it raised for the funding of capital schemes must be considered. Part 1 of the Local Government Act 2003 required local authorities to have regard to the Prudential Code, which had been developed by CIPFA (the Chartered Institute of Public Finance and Accountancy) as a professional code of practice. In setting the capital programme, the Council must ensure that the key objectives of the Prudential Code were complied with. The Council must ensure that its capital investment plans:

- were affordable, and that
- all external borrowing and other long term liabilities were within a prudent and sustainable level.
- the consequent treasury management decisions for Prudential Borrowing (also referred to as Unsupported Borrowing) were taken in accordance with good professional practice.

The Code recognised that, in making capital investment decisions, the Council must have regard to option appraisal, asset management planning and strategic planning. However, given the expected severity of cuts in future revenue resources, the potential for servicing debt not funded by Welsh Government as part of General Capital Funding or already provided for (e.g. Prudential Borrowing for the Schools Investment Programme and Housing Improvement Programme) was extremely limited as this would need to be funded through the revenue budget.

The projected amount of prudential borrowing utilised at 31<sup>st</sup> March, 2015 was £17.537m, which was made up of £6.690m for Highway Improvements under the Local Borrowing Initiative, £5.370m for Penarth Learning Community, £4.554m Housing Improvement Programme and the Local Government Borrowing Initiative for 21<sup>st</sup> Century Schools £0.923m. After allowing for repayments the balance was expected to be £17.024m at 31<sup>st</sup> March, 2015.

The table below set out the Council's Prudential Borrowing over the next five years: -

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<b>Prudential Borrowing</b>							
<b>Scheme</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>Total</b>	<b>Affordability</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	
Penarth Learning Community and Llantwit Learning Community	2,074	0	0	0	0	2,074	Repayments to be funded from Education budget and saving from amalgamation of schools.
21st Century Schools Local Borrowing Initiative	1,187	528	0	0	0	1,715	Repayments funded from specific grant in 2014/15 and budget transferred into RSG from 2015/16
Housing Improvement Programme	15,596	19,434	1,688	3,222	785	40,725	Repayments factored in as part of Housing Business Plan
<b>Total</b>	<b>18,857</b>	<b>19,962</b>	<b>1,688</b>	<b>3,222</b>	<b>785</b>	<b>44,514</b>	

Future Prudential Borrowing for School Investment Programme Band B schemes totalled £1.5M in 2021/22.

Total new Prudential Borrowing over the next 5 years was estimated at £44.514m, of which £40.725m related to the Housing Improvement Programme.

Included in the Council's unsupported borrowing in 2015/16 would be an amount for the Housing Subsidy buyout as reported to Cabinet in December 2014 (minute C2580). This sum was not included in the above figures as further information would not be known until the end of March 2015.

### **Proposed Capital Programme 2015/16 to 2019/20**

Following consideration of all of the above, the proposed 5-year Capital Programme 2015/16 to 2019/20 was attached at Appendix A to the report. Since the Initial Capital Programme Proposals were prepared, a small number of amendments were received and were outlined below.

It had been requested that the £500k built into the 2015/16 Capital Programme for the School Investment Programme be carried forward into the 2016/17 Capital Programme and increased to £750k to be funded from the School Investment Strategy Reserve. The £750k would be used to address essential requirements required for coeducational provision at the Barry and Bryn Hafren Buildings, subject to proposals proceeding following statutory consultation.

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The Rhoose Expansion Scheme had been re-profiled from 2015/16 - 2016/17 to 2017/18 - 2018/19, to reflect the expected timescales of delivery of the work.

The bid for the Additional Highways /Environmental Improvements scheme had been reduced due to a change in the projected cost of the scheme from £600k to £450k and split £150k and £300k over 2015/16 and 2016/17 respectively.

The bid for the Causeway Improvement scheme had been reduced from £800k to £750k due to a change in the projected cost to the scheme and the whole amount was now only included in 2015/16 of the Capital Programme.

The bid for £600k the High Street/Broad Street Traffic Management scheme was included in the Initial Capital Programme split equally over 2015/16 and 2016/17. This bid had been increased to £750k, £375k in 2015/16 and £375k in 2016/17. The additional monies would be funded by a transfer from the Additional Highways / Environmental Improvement scheme bid which had been reduced by £150k as this was no longer required.

The Carbon Management Fund scheme £150k had been included in the 2015/16 Capital Programme to fund energy saving schemes. This would be funded from the Energy Management Fund. This complemented the £100k included in the Revenue Budget Proposals as one-off funding in 2015/16 only, to take forward energy initiatives.

At the end of the Capital Programme period (31 March 2020), the outstanding prudential borrowing taking into account repayments was expected to be £13.463m General Fund and £42.121m HRA.

## **The Financial Strategy**

The Capital Programme had continued to be set with regard to the key themes of regeneration and sustainability, examples were as follows;

- The continued development of the School Investment Programme with Band B anticipated to start in 2019/20 and continued investment in housing under the Housing Improvement Programme. These schemes would bring with them continued opportunities for growth, development of surrounding infrastructure and inward investment.
- The draft Rural Local Development Strategy was endorsed by Cabinet on 22<sup>nd</sup> September, 2014 and submitted to Welsh Government as a bid for grant under the LEADER strand of the Rural Development Plan for Wales. It was also agreed that £250K of the Regeneration Fund would be allocated as match funding for the grant if approved.
- Ensuring that all large Council Capital Projects were BREEAM (the design and assessment method for sustainable buildings) excellent rated.

In the Final Capital Programme Proposals 2014/15 to 2018/19 a number of pressures were identified that would need to be subject to ongoing review and management as follows;

<b>Capital Budget Pressure</b>	<b>Mitigating Action Taken</b>
The possibility of increased demands upon flooding, coastal protection and the environment generally (including an accelerated deterioration of the highways infrastructure).	£170k for Flood Management schemes at Boverton have been carried forward into the 2015/16 Capital Programme. On-going funding for Flood Risk Management was provided for in the five year capital programme at £100k per annum.
The general shortfall of funding available to address the Council's asset renewal requirements.	Bids for Asset Renewal were ranked in accordance with Risk and Corporate Priority to help assist with rationing the scarce resources available. Following a review of Asset Renewal requirements as part of the budget process an additional £300k had been allocated to the Education service in 2015/16 and £400k from 2016/17 onwards. An additional £300k had been added to Visible Services in 2015/16 to meet their specific pressures.
The Council's ambitions for further regeneration and how they could be realised.	Provision was made in each year of the Capital Programme for regeneration via the Barry Regeneration Partnership Fund and £150k each year for the Regeneration Fund. £250k of the Regeneration Fund was ring fenced in the 2015/16 to 2019/20 Capital Programme for the next Rural Development Programme business plan.
The continued expansion over time of the Schools Investment Programme.	Band B Schemes for the School Investment Strategy had now been included in the Capital Programme. Welsh Government had confirmed that Band B would commence in 2019/20. It was estimated that the cost of Band B would be in the region of £67.4m and it was assumed that the Welsh Government grant intervention rate would be 50%.
Funding of Renewal Areas to address housing, social and environmental problems in the light of reduced grant availability.	In 2015/16 and 2016/17 an allocation of £500k had been made for match funding the Renewal Area Grant (plus £496k slippage from 2014/15). Grant funding for this scheme was expected to end in 2016/17.



No.

## School Investment Programme

The 21<sup>st</sup> Century Schools Programme was the Welsh Government's funding initiative for investment in schools. The first tranche of schemes under Band A of the funding was submitted prior to November 2011. Band A schemes ran between 2013/14 and 2018/19. Band B schemes were expected to commence in 2019/20.

The schemes included under Band A submission for construction between 2013/14 and 2018/19 were; Ysgol Nant Talwg, Ysgol Dewi Sant, Ysgol Gwaun Y Nant and Oakfield, Colcot and Llantwit Learning Community.

In April 2014, WG notified the Council that some of the funding for Band A of the 21<sup>st</sup> Century Schools Programme would be in the form of unsupported borrowing instead of a revenue grant. The Council would be expected to borrow; however, WG would provide revenue funding to cover the cost of the loan. In 2014/15 this was via a specific grant and from 2015/16 the funding would be distributed through the Revenue Support Grant. This had no impact on the value of the Capital Programme, only the way in which it was funded. The table below showed the sums to be borrowed between 2014/15 and 2016/17 and the corresponding borrowing costs provided by WG.

### 2014/15 - 2016/17 Local Government Borrowing Initiative

Period	Loan Value/Sum Invested £	Loan Charges Funded by WG £
2014/15	923,252	53,651
2015/16	1,187,038	68,980
2016/17	527,573	30,658
TOTAL	2,637,863	153,289

In September 2014 the Council received notification from WG that the funding envelope for 21<sup>st</sup> Century Schools was increased from £20.960m to £29.898m. Since the Initial Capital Programme in November 2014 the Council had increased the contribution to the programme by a further £950k to the Llantwit Major Learning Community Scheme at Cabinet on 12<sup>th</sup> January 2015 (Minute C2607).

The following table showed the planned spend on the Education Capital Programme from 2014/15 to 2019/20 incorporating expenditure under Band A schemes funded under 21<sup>st</sup> Century Schools Programme. Gross Expenditure totalled £84.969m.

**Proposed Education Programme to 2019/20**

<b>By Scheme</b>	<b>14/15</b>	<b>15/16</b>	<b>16/17</b>	<b>17/18</b>	<b>18/19</b>	<b>19/20</b>	<b>Total</b>
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Penarth Learning Community	14,747	2,780	0	0	0	0	17,527
Demolition of Ysgol Maes Dyfan	200	0	0	0	0	0	200
Ysgol Nant Talwg (£1.131m 13/14)	1,576	32	0	0	0	0	1,608
Ysgol Nant Talwg Slippage	27	0	0	0	0	0	27
Ysgol Dewi Sant	1,123	1,582	35	0	0	0	2,740
Slippage Ysgol Dewi Sant	22	0	0	0	0	0	22
Llantwit Learning Community	475	6,555	12,402	1,240	29	0	20,701
Gwaun Y Nant & Oakfield	1,188	2,410	47	0	0	0	3,645
Slippage Barry Cluster	0	147	0	0	0	0	147
Colcot	0	0	250	250	0	0	500
Barry Comp. Art Block	315	10	0	0	0	0	325
Barry Secondary School Transformation	0	0	750	0	0	0	750
Eagleswell Demolition	0	0	300	0	0	0	300
Band B Schemes	0	0	0	0	0	18,361	18,361
Modular Building Resiting	0	500	0	0	0	0	500
Asset Renewal	841	900	1,000	1,000	1,000	1,000	5,741
Asset Renewal Contingency	63	50	50	50	50	50	313
Rhose S106	0	0	0	1,000	1,762	0	2,762
Llangan Classroom Base	0	117	0	0	0	0	117
Victorian Schools	600	1200	1,200	800	0	0	3,800
Evenlode – New School Hall	254	0	0	0	0	0	254
Additional Capital Schemes	950	0	0	0	0	0	950
Schools Challenge Cymru	30	0	0	0	0	0	30
Schools ICT Loans	200	200	200	200	200	200	1,200
Property Condition Surveys	40	40	0	0	0	0	80
Schools Capital Loan Schemes	352	300	300	300	300	300	1,852
Other	517	0	0	0	0	0	517
<b>Total</b>	<b>23,520</b>	<b>16,823</b>	<b>16,534</b>	<b>4,840</b>	<b>3,341</b>	<b>19,911</b>	<b>84,969</b>

The total allocation for Victorian Schools between 2014/15 and 2019/20 was £3.8m to support works across 22 Victorian Schools to address the existing issues with lath and plaster and masonry deterioration. Work was currently being carried out by three external consultants to assess scheme requirements and generate a prioritised list of schemes which would be brought to Cabinet in a full report which would address these problems. Of the £600k allocated for Victorian Schools in the 2014/15 Capital Programme it had been approved by emergency powers that £75k was utilised to fund external consultancy services, £462k was utilised to increase the budget of the Overboarding Ceilings scheme, £20k was utilised to increase the budget of the scheme Victoria Primary School Emergency Roofing and £43k was used to fund emergency/urgent works should they be required.

No.

There was an asset renewal budget of £900K in 2015/16, increasing to £1m in 2016/17. In addition, there was £50k asset renewal contingency budget in each year. Education, in consultation with Property Services, allocated this budget in year to various schemes including rolling programmes of boiler and toilet renewal.

There was a £750k budget for Barry Secondary Schools in the 2016/17 Capital Programme.

Band B schemes were expected to commence in 2019/20; the Council would be submitting proposals for a number of schemes. Based on latest indications, it had been assumed that 50% funding would be available from Welsh Government to fund these schemes. However, there was no guarantee that this funding would be available from Welsh Government.

Indicative strategic projects for the Council under Band B funding would seek to address the following:

- Expanding primary sector capacity and addressing the condition of school buildings in various areas across the Vale.
- Rationalisation of school buildings currently situated on split sites.

The total cost for Band B schemes was projected to be in the region of £67.4m. It was anticipated that Band B would be funded from £33.7m Welsh Government Grant, £13.840m Capital Receipts, £9.023m S106 funding, £7.107m Reserves, £2.230m General Capital Funding and £1.5m Prudential Borrowing.

It was proposed that the capital programme be increased by £67.4m from 2019/20 onwards and individual schemes would be included in the programme as and when they were approved.

The Education Capital programme was anticipated to be funded as follows;

<b>By Funding Source</b>	<b>14/15</b>	<b>15/16</b>	<b>16/17</b>	<b>17/18</b>	<b>18/19</b>	<b>19/20</b>	<b>Total</b>
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
General Capital Funding	2,972	2,512	4,593	1,000	789	1,160	13,026
Capital Receipts	4,125	1,247	4,426	800	400	1,404	12,402
Other Reserves and Revenue Contribution	2,328	950	0	0	0	1,000	4,278
School Investment Reserve	1,062	2,411	1,756	415	290	1,397	7,331
School Rationalisation and Improvements Reserve	352	300	300	300	300	300	1,852
IT Fund	200	200	200	200	200	200	1,200
Prudential Borrowing	3,370	3,261	528	0	0	0	7,159
Prudential Borrowing Pending Receipts	2,000	0	0	0	0	0	2,000
<b>Total Internal Funding</b>	<b>16,409</b>	<b>10,881</b>	<b>11,803</b>	<b>2,715</b>	<b>1,979</b>	<b>5,461</b>	<b>49,248</b>

	No.						
Other Councils Contributions	0	1,330	0	0	0	0	1,330
S106 Agreements	829	117	296	1,000	1,362	7,700	11,304
Welsh Government Grant	6,282	4,495	4,435	1,125	0	6,750	23,087
<b>Total Funding</b>	<b>23,520</b>	<b>16,823</b>	<b>16,534</b>	<b>4,840</b>	<b>3,341</b>	<b>19,911</b>	<b>84,969</b>

## Housing Improvement Programme

The Welsh Government required all local authorities who retained their housing stock to submit an acceptable Housing Business Plan annually that incorporated a detailed financial forecast in the form of a 30 year financial model. The Business Plan was the primary tool for a local authority's housing landlord service and included all assets within the Council's Housing Revenue Account (HRA).

The latest annual Plan was submitted to Welsh Government in January 2015, and formed the basis of the Major Repairs Allowance (MRA) grant application, a pivotal financing component for the Housing Improvement Programme (to meet the Welsh Housing Quality Standard (WHQS)).

The MRA for 2015/16 had not yet been announced by the Welsh Government but the assumed budget in Appendix A attached to the report remained at £2.760m p.a., as received in 2014/15.

The latest Business Plan projections were reported to Cabinet on 15<sup>th</sup> December 2014 (Minute No. C2580) and approved at the Council meeting on 17<sup>th</sup> December 2014. The Plan outlined an increase in the total amount of unsupported borrowing over 30 years from £33.9m to £43.629m for meeting and maintaining WHQS, and any regeneration work. There was an additional estimated unsupported borrowing amount of £63.2m included in the latest Plan, which would be required for the exit of the Housing Revenue Account Subsidy System. Based on the latest Business Plan projections, the potential savings generated from exiting the HRA Subsidy System would mean the anticipated date that all prudential debt (£106.829m) could be repaid was now 2039/40 (previously 2032/33, on a debt of £33.9m).

The Final Capital Programme Proposals included an additional £550k for Emergency Works in 2015/16, 2016/17 and 2017/18 to be funded from unsupported borrowing.

It was expected that WHQS would be attained by 2017, with ongoing work required to maintain the standard based on component lifecycles. In addition, the latest Housing Improvement Programme included regeneration work of £20m between years 2015/16 and 2019/20, which would potentially include some new build schemes, as well as works to enhance the estates.

## Other Schemes

A sum of £800k per annum was included to address high priority Visible Services assets and infrastructure improvements.

No.

Flood Risk Management funding of £100k per annum was provided in addition to funding slipped from 2014/15 for Flood Risk Management Schemes at Boverton.

A sum of £184k in 2015/16, £260k in 2016/17 and £300k from 2017/18-2019/20 had been allocated in relation to the Barry Regeneration Partnership. As well as being used for preparatory work (e.g. site investigations), this might also be applied as match funding to lever additional sources of grant funding. In addition, a further £150k had been allocated each year to fund regeneration initiatives including feasibility studies. A sum of £50k had been allocated in 2015/16 for feasibility studies into future improvements at Penarth including the Esplanade.

Funding for Disabled Facilities Grants of £4.5m had been provided in total over the 5 years.

The Capital Programme Proposals included funding for the Space Project £1.178m in 2015/16 and £300K in 2016/17. This investment was funded by the Project Fund and was expected to achieve net revenue savings. £125k was currently identified as a saving in 2016/17 from the termination of the Provincial House lease, however further savings could be identified as the project progressed.

RESOLVED -

(1) T H A T the final budget proposals for the Capital Programme for the years 2015/16 to 2019/20 as set out in Appendix A attached to the report, (but with the exception of those schools listed in Appendix A as listed in the information tabled at the Council meeting ( and also including Bryn Hafren Comprehensive School added to the list) be approved.

(2) T H A T the Managing Director or the Head of Finance, in consultation with the Cabinet Member responsible for Finance, be given delegated authority to make additions, deletions or transfers to or from the 2015/16 to 2019/20 Housing Improvement Programme as appropriate.

(3) T H A T the Managing Director or the Head of Finance, in consultation with the Cabinet Member responsible for Finance, be given delegated authority to make additions, deletions or transfers to or from the 2015/16 to 2019/20 Asset Renewal budgets as appropriate.

(4) T H A T the Renewal Area Grant, once approved by the Welsh Government, be automatically included in the 2015/16 Capital Programme.

(5) T H A T subject to the approval and award of Welsh Government Band B 21st Century Schools grant funding, the Capital Programme from 2020/21 onwards be increased by £49.039m (£18.361m was already included for 2019/20, as outlined in Appendix A attached to the report), and schemes be included in the programme on an individual basis following Welsh Government agreement to funding.

No.

(6) T H A T the policy for making Minimum Revenue Provision in 2015/16 be approved.

(N.B Councillors Janice Birch, Howard Hamilton, Val Hartrey and Nic Hodges left the meeting prior to the commencement of discussion in respect of resolution (7) below, given they were Minor Authority Governors on certain schools affected.

(7) T H A T the final budget proposals for the Capital Programme for the years 2015/16 to 2019/20 in respect of those schools listed in Appendix A as listed in the information tabled at the Council meeting ( and also including Bryn Hafren Comprehensive School added to the list) be approved.

#### 941 FINAL PROPOSALS FOR THE REVENUE BUDGET 2015/16 (REF) -

In introducing this item, the Leader reminded Members that the proposals had been subject to consideration by Cabinet, all five Scrutiny Committees and the Budget Working Group. Some minor amendments had been made as a result of the process and these were contained within the report.

The Leader referred to the Final Budget Proposals as having included certain specific targets and to taking into account the various budget pressures facing the Council. The minimum funding commitment in terms of schools had also been borne in mind as had the overall Medium Term Financial Plan. It was important to maintain a statutory for forthcoming years and, in doing so, to constantly take account of cost pressures and prudent use of reserves. The report before Council included reference to the statement by the Council's Section 151 Officer on the Robustness of Estimates.

The proposed increase in Council Tax equated to a rise of 3.9%, which represented one of the lowest increases in Wales.

The Leader thanked all Officers for their hard work so far in this process, but he remained mindful that further savings would have to be made. He further commented that the budget would have to be continually monitored to ensure that the budget continued to be on track during the years ahead.

In concluding his presentation of the budget proposals, the Leader stated that he considered the budget to be a fair and reasonably balanced one.

#### **General**

The Council's approved Final Revenue Budget Proposals for 2014/15 included savings targets for the period 2015/16 to 2016/17 of £13.5m. The figures excluded schools that were funded 1% above the relevant percentage change in Block Grant received by Welsh Government (WG) in the form of the Minimum Funding Commitment (MFC). The savings targets took as their starting base the indicative settlement provided by WG for 2015/16, which at the time showed a projected 1.64% reduction. No indication was provided for 2016/17 so a reduction of 1% was assumed.

No.

The 2014/15 Medium Term Financial Plan (MTFP) approved by Cabinet on 11<sup>th</sup> August, 2014 (Minute No. C2432) predicted significant increases to the potential level of savings required from 2015/16 onwards. The indication from the WG Minister for Local Government and Government Business, at the time the MTFP was produced, was for substantial reductions in funding of up to 4.5%. The MTFP was therefore produced using the assumption of a reduction in funding of 4.5% in 2015/16, a further 4% reduction in 2016/17 and a 2% reduction in 2017/18. Savings totalling £18.2m were identified for the period 2015/16 to 2017/18, with a shortfall in funding across the three years of £14.2m. The shortfall for 2015/16 was £1.294m.

### **Anticipated Outturn 2014/15**

As shown in previous revenue monitoring reports, an overall net underspend of £715k had been projected for 2014/15. Further examination of the Policy budget showed that an additional underspend of £770k could be achieved this year and, therefore, there could be an overall underspend at year end of £1.485m. It was proposed that the sum was transferred into the School Investment Strategy reserve to finance further work to be undertaken as part of the Schools Investment Programme.

### **Revenue Settlement 2015/16**

WG had provided the Council with final figures for next year's settlement. The Council's total Standard Spending Assessment (SSA) had been notified as £212.717m, which represented an adjusted decrease of £2.572m over 2014/15. Transferred into the settlement were resources totalling £374k of which £54k related to the Local Government Borrowing Initiative (LGBI) for 21st Century Schools, £280k for the Integrated Family Support Service and £40k for Autistic Spectrum Disorder. There were transfers out of the settlement totalling £125k of which £97k was for Student Finance Wales, £18k was for Feed Safety Controls and £10k related to the National Adoption Service.

WG required each local authority to compare its total budget for education to its IBA (Indicator Based Assessment). It must then report on the reasons why it might have chosen to set a budget for education that differed from its IBA (£95.759m for the Vale). The report would need to be made available for consideration by the Council's Schools Budget Forum, Full Council and by WG. A proposed draft of the report was attached at Appendix A to the report.

The Council would receive from WG Revenue Support Grant (RSG) of £116.184m and Non-Domestic Rates of £36.297m. The amounts together totalled £152.481m and constitute the Council's Aggregate External Finance (AEF).

When taking into account the above, the effective reduction in AEF for the Council was 3.4% (£5.4m). This was £1.7m less than the 4.5% (£7.1m) assumed in the Medium Term Financial Plan and was sufficient to cover the shortfall for 2015/16 as outlined in paragraph 4 of the report.

No.

WG had announced that the Outcome Agreement Grant allocated to the Vale was £1.255m. This was an unhypothecated grant (i.e. not earmarked for particular services). The Council was not guaranteed to receive the full amount of the Outcome Agreement Grant. The proportion of the grant eventually received in 2015/16 was determined by a ratings score of the Council's performance in achieving its 2014/15 Outcome Agreement targets.

Revenue funding for collaborative initiatives of £1.35m had been anticipated from WG for 2015/16, under the continuation of the Regional Collaboration Fund (RCF). The RCF funding was being utilised to support existing initiatives associated with social care, the Regulatory Services shared service, Cyd Cymru energy, the Cardiff and Vale Sexual Assault Referral Centre and Alcohol Treatment Centre. However, WG had now advised that the level of funding for 2015/16 would be reduced to £728k. Funding from the Intermediate Care Fund (ICF), which was used to build on effective working across health, social services and housing, to improve the planning and provision of integrated services, was only approved by WG for the year 2014/15. WG had announced that £20m would be made available to take forward schemes which had a proven effectiveness across community and acute environments, linking out-of-hospital care and social care to strengthen the resilience of the unscheduled care system. Presently, it was unclear how this funding would be allocated.

### **Budget Strategy 2015/16**

Cabinet approved the Budget Strategy and Timetable for 2015/16 on 30<sup>th</sup> June, 2014 (Minute No. C2363). As part of this strategy, Directors were requested to review savings already approved, with a view to implementing them ahead of the target date and to consider areas for further savings. Areas for additional savings were identified as part of the 2014/15 MTFP.

The 2015/16 initial revenue budget proposals showed a provisional shortfall against base budget of £7.761m rising to a possible £13.438m if all cost pressures were to be funded. If all assumed savings of £8.857m were achieved, this would leave a shortfall in 2015/16 of £4.581m. The Budget Working Group (BWG) had undertaken further work to formulate the final revenue budget proposals contained in the report.

In particular, the BWG had regard to the need to achieve a balanced budget both for 2015/16 and in future years. This included:

- The results of consultation with the Schools Budget Forum, Scrutiny Committees and external stakeholders;
- Ways in which cost pressures could be reasonably reduced or mitigated;
- A further review of the proposed savings for 2015/16;
- The progression of corporate projects on income generation, transportation costs and buildings;
- The existing financial strategies in place for Education and Schools, Social Services and Other Services;
- Possible increases in Council Tax;



No.

- The projected funding position for 2016/17 and 2017/18;
- The potential to use substantial levels of reserves as part of a defined financial strategy and to allow a more thorough review of options for savings and their implications, alternative methods of service delivery and collaborative ventures.

During 2014/15, additional pressure had been placed on staffing budgets as a result of various changes. The employer's superannuation contribution for non-teaching staff increased from 21.5% to 22.7%. This had been assessed as an additional cost of £479k per annum (excluding schools). There would also be an increase in the employer's superannuation contribution for teaching staff from September 2015, which would result in an increase from 14.1% to 16.4% and would cost £502k in 2015/16. This represented an anticipated full year cost of £860k for schools. A NJC pay award was agreed with effect from 1<sup>st</sup> January, 2015. The anticipated full year cost of this was an increase of £188k per annum over and above the 1% already provided for in the 2015/16 budget (excluding schools).

The impact of the extension of the 2011 Single Status Collective Agreement, was reported to Cabinet on 17<sup>th</sup> November, 2014 (Minute No. C2530). Changes to the calculation of annual leave pay for term time only employees resulted in a potential increase in costs for schools of £323k.

These pressures on budgets had been considered by the BWG. £561k was set aside as part of the 2014/15 budget setting process to fund the potential increase in employer's superannuation for non-schools staff. It was proposed that the required funding of £479k be transferred into service budgets and that the remaining balance be given up as a general saving in 2015/16. Staff budgets had already been provided with a 1% increase for pay inflation in 2015/16 and it was considered that the £188k balance over and above could be managed by individual services. With regard to schools, they had received an increase in funding in line with the Minimum Funding Commitment during recent years and the same was proposed for 2015/16. The BWG considered that funding 50% of both the 2015/16 additional teacher's pension costs and the Single Status Collective Agreement would, therefore, be appropriate.

### **Proposed Budget 2015/16**

The proposed budget for 2015/16 had been set in line with the current financial strategy and a summary of the overall position was attached at Appendix C to the report.

Asset rentals were accounting adjustments reflecting charges to services for the use of assets. They did not constitute "real" expenditure and were reversed out and replaced by the cost of capital within Policy. Similarly, IAS 19 changes were technical accounting adjustments to the costs of pension contributions, which were reversed out in Policy. Neither of these adjustments were therefore a part of the total expenditure of the Council.

Recharges/transfers related to movements in charges between internal Council Services and the transfer of functions. Overall, there was a neutral impact on the budget.

No.

Budget Adjustments had a net total of £410k, of which £433k related to the reversal of one-off funding previously provided to services, £101k related to the reduction in the Fire Authority Levy less £124k for the change in the use in 2015/16 of the Social Services Fund.

Inflation (excluding schools) amounted to £2.276m., of which £1.721m (2%) related to general price increases and £555k related to the allowance for pay inflation (1%).

The BWG had reviewed and updated the cost pressures. Those which could not be mitigated or reduced were included within the Net Growth figure of £3.005m. The breakdown of this sum was shown at Appendix D attached to the report.

The savings had also been reviewed by the BWG and had been reprofiled over the three year period. Where possible, some savings had been brought forward, while for others, it was considered that further time would be required for their implementation and amendments were required to fit in with the Reshaping Services programme. For 2015/16, these totalled £6.847m and details were included at Appendix E attached to the report.

As previously proposed, it was intended that £2.5m of the Council Fund Reserve would be used during 2015/16.

## Services

### Learning and Skills

	<b>Educ./ Schools</b>	<b>Libraries</b>	<b>Adult Comm Learning</b>	<b>Youth Services</b>	<b>Catering</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Budget 2014/15	93,369	2,589	204	1,084	1,743	98,989
Recharges/Transf.	7	(63)	45	11	32	32
Inflation	234	26	15	16	31	322
Net Growth	929	0	0	0	0	929
Savings	(545)	(229)	(2)	(43)	(77)	(896)
Changes in Asset Rentals/IAS 19	92	36	3	(25)	27	133
<b>Budget 2015/16</b>	<b>94,086</b>	<b>2,359</b>	<b>265</b>	<b>1,043</b>	<b>1,756</b>	<b>99,509</b>

There had been a transfer into the settlement from WG of £54k to support the Local Government Borrowing Initiative (LGBI) for 21<sup>st</sup> Century Schools and this initiative had also resulted in an additional burden for the Council of £69k.

WG had continued to build into the settlement protection for schools via their Minimum Funding Commitment (MFC), which was equivalent to 1% above the change in the Assembly's block grant funding allocation from the UK Government. To fulfil WG's commitment, councils needed to ensure that their

No.

net Individual Schools Budget (ISB) was increased by at least this percentage and then adjusted for changes in pupil numbers.

The 2015/16 MFC of 0.6% had been applied to the net Individual Schools Budgets. The protection applied to schools in these budget proposals was, therefore, in accordance with the Minimum Funding Commitment and more information on the exact calculation for the Vale's schools was shown in Appendix A attached to the report.

The details of net growth were shown at Appendix D attached to the report. This included the net MFC increase of £263k. There had also been further increases of £251k relating to the increase in employer's superannuation for Teaching Staff and £162k for the extension of the 2011 Single Status Collective Agreement approved by Cabinet on 17<sup>th</sup> November 2014. It was apparent from the consultation process that residents considered schools to be a high priority service and, therefore, the BWG thought it appropriate to provide this additional funding over and above the minimum requirement.

In line with previous commitments, funding of £50k had been provided for the cost of children's placements and £80k for the reducing levels of out of county income. The Directorate would be required to manage pressures in these areas of the service in future years.

Savings for Learning and Skills in 2015/16 totalled £896k. Full details of the savings were shown at Appendix E attached to the report.

The Director of Learning and Skills intended to prepare a further medium term service and financial strategy specifically for Education. The strategy would identify the options necessary to keep the service within its likely resources and meet savings. The Director would also set out how she would provide support to schools in planning their own budgets over the medium term and achieve the savings required to meet their net cost pressures.

It was suggested that the Schools Budget Forum be consulted before any final decision was made on the split of the funding between Central Education and the Schools. It was recommended that delegated authority be given to the Director of Learning and Skills to determine the split in the light of that consultation, subject to the minimum WG target for the ISB being met.

## Social Services

	<b>Children &amp; Young People</b>	<b>Adult Services</b>	<b>Business Mgmt. &amp; Innovation</b>	<b>YOS</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Budget 2014/15	14,761	36,628	301	664	52,354
Recharges/Transf.	(543)	(262)	87	(17)	(735)
Adjustments	35	89	0	0	124
Inflation	220	633	51	10	914

	No.				
Net Growth	270	1,056	0	0	1,326
Savings	(343)	(956)	(166)	(3)	(1,468)
Changes in Asset Rentals/IAS 19	97	230	46	18	391
<b>Budget 2015/16</b>	<b>14,497</b>	<b>37,418</b>	<b>319</b>	<b>672</b>	<b>52,906</b>

There had been transfers into the settlement from WG of £280k for the Integrated Family Support Service and £40k for Autistic Spectrum Disorder. There had also been a transfer out of the settlement of £10k for the National Adoption Service.

The latest projected outturn for Social Services this financial year indicated an overspend of £100k. There remained continuing pressures on the service, particularly in relation to the cost of adult care packages which was projecting to outturn this year £800k over budget. This overspend related mainly to domiciliary care packages provided for frail elderly clients. When the full year effect of this year's commitment was projected into 2015/16, it was anticipated that this could result in an additional £1m of expenditure.

The details of the net growth were shown at Appendix D attached to the report. The financial strategy for the service previously proposed a £75k contribution in 2015/16 towards the increase in Children and Young People Services' costs. However, as the Children's Services budget for 2014/15 was anticipated to outturn with an underspend of £500k and with increasing pressure on the Community Care packages budget, it was proposed that the funding be redirected to Adults Services. Having regard to the current financial pressures and the results of the budget consultation, where concerns were raised by the Social Care and Health Scrutiny Committee, the Cardiff and Vale University Health Board and other external organisations regarding the increasing older persons' population, the BWG acknowledged the issues in this area. Not only was there an increase in the population, but clients were increasingly frail with complex needs. There was a 'knock on' effect from pressures within Health and work was being undertaken to ensure integration between the two services. However, this would take some time to show results and make a significant impact and it was, therefore, proposed that an additional £903k should be included in the budget. However, the Service must ensure that it was providing the appropriate packages to clients. £113k had been earmarked to meet the future growth in Young People with Learning Disabilities (transitions reaching the age of 18). As detailed earlier, the ICF grant would end in its current format in March 2015 and the RCF grant would be reduced during 2015/16. While it was recognised that there were great pressures on the Adult Services budget and that demand was very volatile, the Director of Social Services was asked to mitigate, where possible, the ever increasing demands and should review and implement alternative ways of working and managing demand.

Savings for Social Services in 2015/16 total £1.468m. Full details of the savings were shown at Appendix E attached to the report.

During 2012/13, the Social Services Budget Programme was established, which outlined a series of savings for future years and provided the required

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funding for the managed reduction of the budget, via the setting up of the Social Service Fund. The greater the delay in achieving the savings, the higher the use of funding required to cover budget shortfalls. This had to be set against the need to allow sufficient time to ensure that the savings were achievable and sustainable. The following table provided the timeframe for recovery and showed the continued use of the Social Services Fund.

<b>Financial Year</b>	<b>Savings Target £'000</b>	<b>Use of Fund £'000</b>
2015/16	1,468	2,075
2016/17	1,133	970
2017/18	320	650
2018/19	320	330
2019/20	330	0
<b>Total</b>	<b>3,571</b>	<b>4,025</b>

The Director of Social Services would continue to review the Social Services Budget Plan and take the necessary action to achieve the level of savings required in accordance with the above timeframe. It was also essential that tight control over expenditure was achieved and that no further overspending occurs.

### Visible and Housing Services

	<b>Environment And Visible £'000</b>	<b>Parks and Ground Maintenance £'000</b>	<b>Building Services £'000</b>	<b>Council Fund Housing £'000</b>	<b>Total £'000</b>
Budget 2014/15	17,912	3,528	0	1,066	22,506
Recharges/Transf.	(106)	23	(97)	352	172
Adjustment	(300)	0	0	0	(300)
Inflation	263	38	9	12	322
Net Growth	585	0	0	0	585
Savings	(1,884)	(130)	0	(212)	(2,226)
Changes in Asset Rentals/IAS 19	441	44	88	0	573
<b>Budget 2015/16</b>	<b>16,911</b>	<b>3,503</b>	<b>0</b>	<b>1,218</b>	<b>21,632</b>

Details of net growth were attached at Appendix D to the report. As part of the consultation process, residents considered recycling to be a high priority service and, therefore, the BWG thought it appropriate to provide £85k to support the increase in the Waste Recycling contract. In 2013/14, £300k had been included in the budget for a period of two years for the Big Fill initiative. The BWG had considered that further funding would benefit the Council's

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highways and, therefore, it was proposed that £500k be included in the 2015/16 budget on a one-off basis.

Savings for 2015/16 were shown at Appendix E attached to the report and totalled £2.226m. The Prosiect Gwyrdd (PG) waste plant was due to be fully operational during 2016/17. The site was, however, currently operational, albeit under test conditions. The Council would be able to utilise the facility during 2015/16 but would not be able to rely on the eventual contractual terms and conditions associated with PG and the facility could close at any point during the testing period. It was, therefore, considered that part, but not all, of the proposed 2016/17 saving would be achievable during 2015/16 and £588k had been brought forward. The service had also confirmed that the Street Cleaning savings of £50k per annum, in both 2015/16 and 2016/17 could be increased by £200k to £250k per annum.

Following further review of the savings by the BWG and as a result of consultation, some of the savings identified for 2015/16 had been put back by one year to 2016/17 e.g. £100k Public Conveniences.

### Development Services

	<b>Public Protection £'000</b>	<b>Private Housing £'000</b>	<b>Planning &amp;Transp. £'000</b>	<b>Leisure £'000</b>	<b>Economic Develop. £'000</b>	<b>Total £'000</b>
Budget 2014/15	2,231	11,744	5,306	3,515	832	23,628
Recharge/Tranf	161	(769)	6	(111)	13	(700)
Adjustments	0	(25)	(75)	(13)	(20)	(133)
Inflation	27	209	97	10	13	356
Net Growth	(18)	0	0	0	0	(18)
Savings	(115)	(121)	(212)	(935)	(28)	(1,411)
Changes in Asset Rentals /IAS19	40	9	48	15	15	127
<b>Budget 2015/16</b>	<b>2,326</b>	<b>11,047</b>	<b>5,170</b>	<b>2,481</b>	<b>825</b>	<b>21,849</b>

There had been a transfer out of the settlement of £18k for Feed Safety Controls.

Savings for 2015/16 were shown at Appendix E to the report and totalled £1.411m. £210k related to working with Parkwood to realise further savings from the Leisure Centres contract. Savings in respect of transportation had been deferred, both as a result of the consultation process and in order to allow the progression of the corporate work stream in respect of transportation generally.

Managing Director	No.		
	Resources	General Policy	Total
	£'000	£'000	£'000
Budget 2014/15	380	18,974	19,354
Recharges/Transf.	814	417	1,231
Adjustments	0	(101)	(101)
Inflation	334	28	362
Net Growth	(97)	280	183
Savings	(728)	(118)	(846)
Changes in Asset Rentals/IAS 19	260	(1,484)	(1,224)
<b>Budget 2015/16</b>	<b>963</b>	<b>17,996</b>	<b>18,959</b>

There had been a transfer out of the settlement of £97k for Student Finance Wales.

The details of net growth were shown at Appendix D to the report and included committed growth of £180k for the provision of debt charges. Energy saving initiatives could have the potential to save the Council revenue funding in future years. It was, therefore, considered that a sum of £100k be provided in 2015/16, on a one-off invest to save basis, for energy and other green initiatives.

Savings for 2015/16 were detailed at Appendix E to the report and totalled £846k. £728k was attributable to Resources and £118k for General Policy.

### Financial Strategy for 2016/17 to 2017/18

The 2014/15 final budget proposals were informed by a budget review exercise that included the reappraisal of the Council's financial strategy. Consequently, separate strategies were put in place for Education and Schools, Social Services and all Other Services.

The BWG had continued to have regard to the continued appropriateness of these strategies given the significant level of savings that now had to be found, the relative size of the Education and Schools and Social Services budgets as a proportion of the Council's net budget requirement and the results of the consultation process.

It had been assumed that the MFC for schools would remain until at least 2017/18. Education and Schools increases should at least match the overall percentage change in the Council's budget as amended for adjustments to the Council Tax Reduction Scheme (CTRS) and the Council Tax base. The Council would continue to strive to ensure that the budget for Education would be the same proportion of the Council's total budget as the Education SSA was to the total SSA where it was feasible to do so. This would be dependent on future settlements.

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The BWG considered that the principles applied above to Education and Schools also continued to apply to Social Services. It was proposed that the financial strategy for all Other Services remained in place. This would require services to manage downwards or meet the bulk of their cost pressures through additional savings. However, the Council was still mindful of its corporate priorities aimed at reducing poverty and increasing prosperity. Where practical, therefore, the Council would strive to maintain those Other Services that also contributed to this agenda. For the purpose of these projections, it had been assumed that the financial strategies set out in the report for Education and Schools and Social Services would continue to be applied.

WG had not provided the Council with indicative settlement figures for 2016/17 onwards. The MTFP was based upon a cash reduction of 4% in 2016/17 and 2% in 2017/18. Each 1% change in AEF affected the Council by approximately £1.5m. It was assumed that the same levels of reduction were used for these projections.

Pay and price inflation (excluding schools) was estimated at £2.902m based upon a 1% uplift for both areas over the two years. Previously, in the MTFP and the initial revenue proposals for 2015/16, general price inflation for 2016/17 and 2017/18 had been included at a rate of 2%. However, with the reduction in CPI, the BWG had considered that this level should be reduced to 1%. This provided a total saving of £1.77m for 2016/17 and 2017/18.

In August 2014, Cabinet agreed in principle to instituting a Reshaping Services strategy and change programme. The programme was the Council's proactive response to central government's austerity drive that had created a period of unprecedented financial pressure in the public sector. A report on the Reshaping Services Programme was presented to Cabinet on 26<sup>th</sup> January, 2015, which identified service areas to be considered as part of Tranche 1 and Tranche 2 of the programme. For Tranche 1 savings, business cases would be developed during 2015 with planned implementation from early 2016. For Tranche 2 savings, business cases would be developed during 2016 with implementation planned for early 2017. The initial savings targets that had been identified as part of the alternative service delivery and efficiency service reviews for both tranches were £2.25m in 2016/17 and £3.65m in 2017/18. It was anticipated that a further £700k could be identified from additional projects within the corporate work streams, thus providing total savings through the programme of £6.6m. Targets were subject to change and would be informed by the next iteration of the Medium Term Financial Plan and developments in the external funding environment in which the Council operates. Appendix G attached to the report showed the proposed savings targets for 2016/17 and 2017/18, which included both the updated savings targets proposed as part of the initial budget proposals for 2015/16 and the additional savings targets identified through the Reshaping Services Programme. Savings targets now set totalled £17.822m over the two years.

Cost pressures for future years had been considered and assessed by the BWG and totaled £7.48m for 2016/17 and 2017/18. Details were attached at Appendix F to the report. This included the MFC for schools, which was



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estimated at £985k over the 2 years. Any further cost pressures would need to be managed down or mitigated by Services in order to avoid further savings targets being required.

There was also an assumed reduction in the use of the Council Fund Reserve over the period. The projections included a £1.5m use of the Council Fund Reserve in 2016/17 with no further call on the reserve thereafter, thus the required £7m minimum balance considered necessary by the Council's Section 151 Officer should be maintained.

Assuming a Council Tax increase in each of the two years of 2% and adjustments for 'one-off' items flowing from the 2015/16 budget, the table below showed a balanced position for the period. It must, however, be emphasised that these projections were based upon information available at the time and they would be subject to change e.g. changes in AEF. The projection was also based upon the assumed achievement of a high level of savings. If these savings were not achieved or were not implemented in the year required, or additional cost pressures were not mitigated, then the balanced position would need to be reassessed and replacement savings identified.

<b>Financial Projections to 2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Assumed Decrease in AEF (4% and 2%)	6,099	2,928	9,027
Cost Pressures (inc MFC for Schools)	4,852	2,628	7,480
1% Pay and 1% Price Inflation (excl. schools)	1,439	1,463	2,902
Net Savings Targets	(12,170)	(5,652)	(17,822)
Assumed 2% Gross Council Tax Increase	(1,197)	(1,221)	(2,418)
Adjustment for 'One Off' Items	505	320	825
<b>(Surplus)/Shortfall in Savings Required</b>	<b>(472)</b>	<b>466</b>	<b>(6)</b>

## **Reserves**

Reserves were a way of setting aside funds from budgets in order to provide security against future levels of expenditure and to manage the burden across financial years. Funds no longer required might be transferred to the Council Fund surplus and then set aside for other purposes or used to reduce Council Tax.

The Council had always taken a prudent approach with regard to Specific Reserves and used them to mitigate known risks (financial and service) and contingent items, e.g. Insurance Fund. Other Reserves had been established to fund Council priorities, e.g. Visible Services and in particular the Capital Programme, e.g. School Investment Reserve, Project Fund, Building Fund. This was important as the Council had limited capacity to realise sufficient sums from the sale of assets for capital investment. Sums had also been set aside to assist in budget management, e.g. Early Retirement Fund. The Housing Revenue Account Reserve was ring-fenced to Housing and the majority would be used to fund improvements to the Council's housing stock.

The Section 151 Officer's view was that the minimum level for the Council Fund Reserve was £7m. This was considered sufficient to cover unforeseen

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expenditure whilst, in the short term, maintaining a working balance. Unforeseen expenditure could be substantial and several instances could occur in a year. Whilst there was no set requirement for the minimum level for the Council Fund Reserve, some commentators used 5% of the net budget as a guide. For the Vale this was currently approximately £10.6m. However, in view of the prudent approach the Council took with regard to Specific Reserves, £7m was considered a reasonable minimum.

The Council presently benefited from a reasonable level of reserves, however, they were not inexhaustible and had taken years of careful financial management to develop to their current level.

As part of the usual Budget process, an examination of the level of reserves was undertaken to ascertain their adequacy and strategy for use. The reserves were examined with a view to their level (i.e. whether the amount held in the fund was sufficient to requirements) and purpose (i.e. whether the need to hold the fund was still relevant).

The requirement for each specific reserve had also been considered in light of the Council's priorities and it had been deemed necessary to move funding from lower priority areas to higher priority areas. As a result, it was proposed as part of the Initial Revenue Budget proposals for 2015/16, that £3.5m of specific reserves were unearmarked and transferred to the Schools Investment Strategy Reserve to allow for the continued investment in school buildings and their development. It was now proposed that, in addition, £1.485m be transferred to the Schools Investment Strategy Reserve, funded by the projected under spending on revenue in 2014/15.

The estimated level of the Council Fund Reserve at 1<sup>st</sup> April, 2015 was £11.46m. The proposed budget for 2015/16 assumed a use of £2.5m from the Council Fund Reserve to fund revenue expenditure. On this basis the reserve was estimated to fall to £8.96m at the end of 2015/16. The strategy for 2016/17 and 2017/18 assumed the further use of £1.5m of the Council Fund Reserve to fund the revenue budget in 2016/17, leaving a balance of £7.46m as at 31<sup>st</sup> March, 2017.

It was projected that the aggregate nursery, primary and secondary balances would be £1.71m surplus at 31<sup>st</sup> March, 2015.

Attached at Appendix H to the report was a schedule showing the reserves and the anticipated balances at 31<sup>st</sup> March, 2015, 2016, 2017 and 2018. The Appendix set out the title of the reserve, together with its purpose. A summary of the position was set out below:

<b>Summary of Estimated Reserves Projected to 2017/18</b>	<b>Est. Bal. 31/3/2015</b>	<b>Net Movement</b>	<b>Est. Bal. 31/3/2018</b>
	£'000	£'000	£'000
General Reserves	11,460	(4,000)	7,460
Specific Reserves	49,580	(26,036)	23,544
Total Council Fund Reserves(excl. Schools)	61,040	(30,036)	31,004

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Schools Balances	2,210	(1,200)	1,010
<b>Total Council Fund Reserves</b>	<b>63,250</b>	<b>(31,236)</b>	<b>32,014</b>

The above table showed that there was a large fall in the level of reserves over the three year period as substantial calls on funds were made. However, these were still deemed to be adequate as known risks were largely covered and the Council Fund Reserve was at a reasonable level (not expected to fall below £7m).

The total budget shown at Appendix C was £212.355m. After adjusting for discretionary rate relief of £200k, it was £562k below the Council's SSA of £212.717m. The 2014/15 budget was £0.910m below the SSA.

The Council's SSA (IBA) was an indication of the relative resources needed to provide a standard level of service. It was based on statistical data and formulae, any of which could be flawed in assessing need. It was used primarily as a method of distributing AEF and was not an absolute indicator of a required spending level for a particular service in a particular area. It was for local councils to best determine their own spending priorities in light of local circumstances.

If the Council decided to budget at £212.355m, deducting from this Revenue Support Grant of £116.184m, redistributed non-domestic rates of £36.297m produced a requirement of £59.874m to be met from Council Tax. Dividing this by the Council Tax base of 55,980, gave a level of Council Tax for the Council's purposes (excluding police and community council precepts) for Band D properties of £1,069.56. This was an increase over the current year of £40.14 or 3.9%.

The average of the Council Tax set by councils in Wales for 2014/15 at Band D was £1,042.58, whilst the Vale's was £1,029.42. The BWG's view was that the proposed increase in Council Tax at 3.9% was a reasonable compromise between the pressure on services, particularly in light of the significant reduction in AEF and consequent level of savings required and the financial pressures facing council taxpayers.

The proposed budget used £2.5m of the Council Fund Reserve. The estimated balance on the Council Fund at 31<sup>st</sup> March, 2016 was £8.9m. The use of reserves for funding recurrent expenditure was clearly not sustainable. Given the level of savings already identified and the lead time for their implementation, it was, however, anticipated that repayments to the Council Fund Reserve would not commence until 2016/17. With the proposed strategy, it was currently estimated that by 2017/18 no use of the Council Fund Reserve would be required.

The 2014/15 MTFP projected a shortfall in funding over the next three years of £14.2m, even after the identification of £18.2m of savings, thus resulting in the potential requirement for £32.4m of savings. This £14.2m shortfall in funding had now been identified through various sources, including a lower than anticipated reduction in the WG settlement of £1.7m, a reduction in the

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level of inflation to be provided to services of £2.2m, an increase in Council Tax above the assumed figure of 2% plus a change in the Council Tax base totalling £2.1m, a review of cost pressures resulting in a reduction of £1.7m (including changes to one off adjustments) and an increase in identified savings of £6.5m. The savings target for the next three years was, therefore, £24.7m.

The projections had been based on the assumed cash reduction in AEF from WG of 4% in 2016/17 and 2% in 2017/18. No indications had yet been provided from WG for these years and, therefore, the MTFP would revise future year projections when further indication was provided. Each 1% change in AEF affected the Council by approximately £1.5m.

In order for the Council not to be exposed to unacceptable risk it was essential that all Services maintained their expenditure within budget and that this was a major priority for Directors, Heads of Service and all Managers. Any further cost pressures would need to be managed down or mitigated by Services.

There were risks in the budget and the most significant of these were set out in the report. Social Services care packages budget was currently overspending. Even though additional funding had been proposed for 2015/16, further action would need to be undertaken by the Director of Social Services to achieve a balanced budget.

The budget recovery plan for Social Services required an estimated £4.025m from the Social Services Fund to cover revenue expenditure over the next four years to give the Service time to plan and implement remedial action, in order to bring their expenditure within their base budget. Savings of £24.669m needed to be achieved over the next 3 years. This figure was extremely challenging and would need to be delivered in full and on time.

Pay and price inflation was a further risk. In 2016/17 and 2017/18, provision had been made in the budget at a rate of 1% for each element. The Consumer Price Index had been gradually reducing and for the year to December 2014 was 0.5%. Services would need to manage spending if inflation rose about the 1% included in their budgets.

In 2014/15, the Council would receive around £71m in specific grant and subsidy. The budget proposals assumed that any reduction in specific grant would be matched by a reduction in expenditure. Details on all specific grants had not yet been finalised and there was a risk that should grants be cut and it was not possible to reduce expenditure correspondingly, the Council could overspend. This risk should be mitigated by the fact that Services should have had in place "exit" plans for any specific grant ceasing and were usually aware of likely developments in the level of grant. Regular revenue monitoring should provide a warning should there be problems. In the first place each Service would be expected to fund any shortfall from its revenue budget. Ultimately, there was sufficient in reserves to cover for this contingency, but only in the short term.

No.

The budget proposals would have implications for the Council's 6,000 employees (4,000 in full-time equivalents) and there would be a loss of jobs. The reduction for 2015/16, excluding schools, was estimated to be around 45 in full-time equivalents (FTE). Although the impact on individuals was likely to be mitigated as a result of natural wastage and the deletion of vacant posts, it was, nevertheless, expected that there would be a number of redundancies.

The above figures did not include the staffing implications relating to budget pressures within schools as the detail needed to be considered by individual Governing Bodies and supported by the Director of Learning and Skills. Individual schools would also be impacted by whether they had growing or falling pupil numbers. There were, however, likely to be staff reductions and redundancies depending on each school's circumstances. The Director of Learning and Skills would need to establish the impact of the budget on employees in schools.

The Council had an Avoiding Redundancy Procedure that would be followed and which included a requirement for the Council to search for suitable alternative employment. The numbers of employees referred to were those impacted in the budget. There could be further staff implications from other restructuring exercises during the year.

The Trade Unions would continue to be consulted on the details of any potential redundancies once known, as would the Government Department for Business Innovation and Skills in accordance with the Council's own local procedures and statutory requirements.

In light of the staffing implications, it was essential to ensure that consultation with the Trade Unions was carried out in accordance with the Council's Avoiding Redundancy Policy and related legal requirements. A Change Forum met regularly with the Trade Unions to help co-ordinate the consultation process and deal with cross-directorate issues.

The number of potential redundancies over the next few years had required strengthening of the Council's redeployment processes, the tightening of the Council's vacancy control processes and the pursuit of other measures as set out in the Council's Workforce Plan. Where appropriate, this could involve a targeted search for voluntary redundancies/reduced hours.

### **Statement of Section 151 Officer on Robustness of Estimates**

The Local Government Act 2003 required that the Section 151 Officer (currently the Head of Finance) must report on the robustness of the estimates that were to be approved by Council. This Section constituted that assurance.

In view of the uncertainties of the current, and future, economic climate there was increased risk facing the Council's financial position and, as a consequence, the delivery of services. This had been recognised and referenced within the report, where relevant, together with actions that could be taken to manage that risk.

No.

Savings were regarded as extremely challenging but achievable and had been carefully examined with risk and measures to mitigate them identified. It was important to stress the importance of the mitigating actions being implemented and the need to consider equality impact assessments.

Estimates in the budget report were robust, subject to any reservations/qualification or other commentary contained in the report. All services' expenditures were under pressure and there was always a risk that a service might overspend, particularly in light of unforeseen circumstances. A measure to guard against this would be to monitor the budget during the year and to identify problems as they arose and put in place remedial action. Key to this would be the delivery of savings, including those required under the Reshaping Services programme. Cabinet, Scrutiny and Managers continued to have a key role in reviewing and maintaining budgetary performance.

Reserves had been again reviewed and were considered adequate to cover contingencies and the risks stated in the report.

Councillor John Thomas, Leader of the Conservative Group indicated that the Group were unable to support the budget as they considered it to be too reliant on savings which might, or might not, be achieved, as well as relying on 'extensive use' of the Council's General Reserve. He also felt there to be a need for a more radical savings strategy under the Council's Reshaping Services programme. He pointed out that, over time, the Council's level of reserves would be potentially only marginally above the £7m figure below which the Section 151 Officer had stated reserves should not fall. Given the above, the Conservative Group would also not be supporting the proposed Council Tax increase. In concluding, Councillor Thomas reiterated a point he had made in previous years regarding the disparity of funding provided by Welsh Government to the Council as opposed to that provided to Cardiff Council.

Councillor Dr. Ian Johnson considered the Conservative Group's position to be one of avoiding responsibility in that no alternative budget proposals had been suggested. Whilst recognising the cuts being forced on the Council by both the Westminster and Welsh Assembly Governments, Plaid Cymru did not recognise why households and communities should have to pay as a result of those cuts. He referred to the proposed increase in Council Tax as resulting in an overall increase of around 14% in the last three years. He also suggested that the Council had a record of exceeding its Council tax collection target and spending below its overall budget.

Councillor Dr. Johnson, referring to the current level of reserves, had welcomed the previous year's review of reserves. One of his concerns was the assumption within the budget proposals of a 2.2% increase in Council costs, excluding staff, which he considered to be an excessive estimate. An alternative 1% increase in staffing costs would, he contested, save £860,000 (equivalent to a reduction of 1.4%) in the proposed Band D Council Tax increase. The Plaid Cymru Group also wished to see the proposed Library Service cuts removed from the budget.

No.

In concluding, he moved that the increase in Council Tax for 2015/16 be 2.8%, resulting in the Band D figure being amended to £1068.24 and other Band figures amended accordingly. Councillor Franks duly seconded the Motion.

Councillor Mahoney reiterated a point he had made in previous years regarding the Council being funded disproportionately by Welsh Government compared to Cardiff Council. He considered the Labour Party and Labour local Assembly Member to not be standing up to the Welsh Government in terms pressing for additional funding.

Having seconded Councillor Dr. Johnson's amendment, Councillor Franks raised a number of specific issues regarding the Revenue Budget proposals. He also welcomed the Council's decision to utilise reserves as he had considered the Administration to previously have been too "risk averse". Other specific points raised by Councillor Franks included:

- the proposed reduction of the £25,000 split site allowance for St. Cyres Comprehensive School (which he understood had not actually been provided to the school for some years)
- the reduction in street cleaning resources
- the reduction in winter maintenance resources
- although understanding the rationale for introducing charges for bulky waste, he queried the potential impact of fly-tipping that might result and the costs of dealing with such
- whether an impact assessment had been undertaken in respect of surrounding streets in terms of any introduction of car parking charges at Porthkerry and Cosmeston Country Parks
- the cessation of annual reimbursement into fund for Dyffryn House and Gardens
- the Council's approach to procurement
- the impact he considered would occur if the proposed cuts to Library Services were progressed.

The Leader responded to the points raised by Members as summarised below. In doing so, he acknowledged there to be a reliance on savings and to some of the savings being particularly difficult. Some savings had been put back and others brought forward.

In terms of General Reserves, the agreed Medium Term Financial Plan detailed clearly the proposed use of the that would eventually result in reserves of around £7m which, as the S151 Officer had confirmed, was prudent and sustainable.

As far as Reshaping Services was concerned, the Leader reminded Members that the strategy was still in its "embryonic state" and would evolve over a period of at least 2 or 3 years. The strategy would include consideration of all options for the delivery of services, including the private sector, outsource companies, the voluntary sector and the community. No options would be ruled out, but alternative means of service delivery would require a rationale and reasonable business case.

No.

The Leader did not agree with the suggestion that the Welsh Government had failed to protect the Council as he considered they had, indeed, attempted to do so in terms of areas such as the Education budget. The Council had also attempted, where practicable, to protect Social Services. He acknowledged, however, that the budget had obviously been adjusted by Welsh Government over the years ( based on a formula heavily predicated on deprivation) and one of the problems facing the Council was that it was not considered to be a deprived Authority.

Referring to the increases in the Council Tax in recent years, the Leader reiterated the need to look to achieve a balanced budget, but also a budget whereby the Council tried to meet its Standard Spending Assessment. The intention was to set a Council Tax which was around the average figure for Wales as the figure was currently below the average for Wales, which he attributed to previous Administrations having not put up the Council Tax. The amount raised by Council Tax was not huge compared to the amount the Council received from the Revenue Support Grant, which had gone down by 3.5%, or £5.5m in real terms.

The Leader referred to the Council's overall projected budget for 2015/16 of £212m as being some £2m lower than for 2014/15. He reminded Members that Council Tax collection rates were part of the original budget strategy and were designed to take account of the potential impact in areas such as welfare cuts. The collection rate was now being set at 97.5%. Any surplus generated to date had been used to progress the Council's preferred strategy in important areas such as education and regeneration.

In terms of the use of reserves, the Leader did not consider the current Administration to have been particularly risk averse. However, it had been important to provide within reserves for future expenditure in major areas such as schools.

As far as the £25,000 split site allowance for St. Cyres Comprehensive School was concerned, as far as he was aware, the school had, in fact, been receiving the funding.

The Leader acknowledged that there would be an impact as a result of reduced expenditure on areas such as street cleaning, with the need to concentrate on town centres and other areas of high footfall. However, it was important that individuals, as well as the council, took responsibility for their actions in terms of the community and the environment. Similarly, any occurrences of issue of fly-tipping should be reported upon by anybody observing, or becoming aware of, such.

Impact assessments were very important and would continue to be carried out.

As far as Dyffryn House and Gardens was concerned, he understood that, linked to the transfer of the facility to the National Trust, the provision alluded to by Councillor Franks was no longer required.



No.

In terms of procurement, the Leader considered the Council to be doing well, but acknowledged the need to continue to improve.

In concluding, the Leader confirmed he would be opposing the amendment moved and seconded by Councillors Dr. Ian Johnson and Chris Franks respectively that the increase in Council Tax for 2015/16 be 2.8%, resulting in the Band D figure being amended to £1068.24 and other Band figures amended accordingly.

Upon being put to the vote, the amended Motion was lost. The original Motion was then voted upon and it was

RESOLVED –

(1) T H A T the budget for 2015/16 at £212.355 million be fixed, including a provision of £200,000 for discretionary rate relief to rural shops and post offices and charitable organisations.

(2) T H A T the budgets for 2015/16 as set out in Appendix C attached to the report to Cabinet on 23<sup>rd</sup> February, 2015, and the totals as set out below, be approved:

	<b>£'000</b>
Education and Schools	94,086
Libraries	2,359
Adult Community Learning	265
Youth Service	1,043
Catering	1,756
Children & Young People	14,497
Adult Services	37,418
Business Management & Innovation	319
Youth Offending Service	672
Environment and Visible Services	16,911
Parks and Grounds Maintenance	3,503
Building Services	0
Council Fund Housing	1,218
Public Protection	2,326
Private Housing	11,047
Planning and Transportation	5,170
Leisure	2,481
Economic Development	825
Resources	963
General Policy	17,996
Council Fund Reserve	(2,500)
Grand Total	212,355

No.

(3) T H A T the recommendations regarding Net Growth for 2015/16 as set out in Appendix D attached to the report to Cabinet on 23<sup>rd</sup> February, 2015 and the Savings for 2015/16 as set out in Appendix E attached to the report be approved.

(4) T H A T the Council Tax for 2015/16 be set for its own purposes (excluding police and town and community council precepts) at the following levels:

Band	Council Tax £
A	713.04
B	831.88
C	950.72
D	1,069.56
E	1,307.24
F	1,544.92
G	1,782.60
H	2,139.12
I	2,495.64

(5) T H A T the proposed draft report on Education Budget and Indicator Based Assessment (IBA) attached at Appendix A to the report to Cabinet on 23<sup>rd</sup> February, 2015 be endorsed and the Director of Learning and Skills make arrangements for it to be forwarded to the School Budget Forum and Welsh Government.

(6) T H A T the initial savings targets for 2016/17 and 2017/18, as set out in Appendix G to the report to Cabinet on 23<sup>rd</sup> February, 2015, be approved.

(7) T H A T a sum of £1.485m. be set aside in the Schools Investment Strategy Reserve, funded by the projected under spending on revenue in 2014/15.

(8) T H A T the reclassification of reserves, as set out in Appendix H to the report to Cabinet on 23<sup>rd</sup> February, 2015 be approved.

942 COUNCIL TAX 2015/16 -

RESOLVED -

(1) T H A T it be noted that at its meeting on 28th November 2014, Cabinet (the Executive) calculated the following amounts for the year 2015/2016 in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992:-

- (a) 55,980 being the amount calculated by Cabinet (the Executive) in accordance with regulation 3 of the Local Authorities

No.  
(Calculation of Council Tax Base) (Wales) Regulations 1995, as amended, as its council tax base for the year.

(b) Part of the Council's area

Barry	18,882
Colwinston	278
Cowbridge with Llanblethian	2,522
Dinas Powys	3,584
Ewenny	426
Llancarfan	462
Llandough	912
Llandow	424
Llanfair	372
Llangan	386
Llanmaes	237
Llantwit Major	4,019
Michaelston	219
Penarth	11,036
Pendoylan	343
Penllyn	982
Peterston-Super-Ely	552
St. Athan	1,351
St. Brides Major	1,118
St. Donats	195
St. Georges and St. Brides-Super-Ely	240
St. Nicholas and Bonvilston	523
Sully and Lavernock	2,481
Welsh St. Donats	311
Wenvoe	1,029
Wick	377

being the amounts calculated by Cabinet (the Executive), in accordance with regulation 6 of the Regulations, as amended, as the amounts of its Council Tax base for the year for dwellings in those parts of its area to which one or more special items relate.

(2) T H A T the following amounts be now calculated by the Council for the year 2015/2016 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:

- |   |                      |
|---|----------------------|
| (a) Aggregate of the amounts which the Council estimates for the items set out in Section 32 (2) (a) to (d) and (2A) of the Act (including Town / Community Council Precepts totaling £2,368,124) | <b>£ 341,595,150</b> |
| (b) Aggregate of the amounts which the Council estimates for the items set out in Section 32 (3) (a), (aa) and (c), and (3A) of the Act   | <b>£ 127,072,116</b> |
| (c) Amount by which the aggregate at (2)(a) above exceeds the aggregate at (2)(b) above, calculated by  |                      |

	No.	
	the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year.	<b>£ 214,523,034</b>
(d)	Aggregate of the sums which the Council estimates will be payable for the year into its Council Fund in respect of redistributed non-domestic rates, revenue support grant, its council tax reduction scheme, additional grant or special grant less certain Discretionary Non-Domestic Rate Reliefs	<b>£ 152,280,941</b>
(e)	The amount at (2)(c) above less the amount at (2)(d) above, all divided by the amount at (1)(a) above, calculated by the Council, in accordance with Section 33(1) of the Act as the basic amount of its council tax for the year.	<b>£ 1,111.86</b>
(f)	Aggregate amount of all special items referred to in Section 34(1) of the Act.	<b>£ 2,368,124</b>
(g)	Amount at (2)(e) above less the result given by dividing the amount at (2)(f) above by the amount at (1)(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its council tax for the year for dwellings in those parts of its area to which no special item relates.	<b>£ 1,069.56</b>
(h)	<u>Part of the Council's area</u>	<u>£</u>
	Barry	<b>1,120.85</b>
	Colwinston	<b>1,088.16</b>
	Cowbridge with Llanblethian	<b>1,126.50</b>
	Dinas Powys	<b>1,095.97</b>
	Ewenny	<b>1,102.84</b>
	Llancarfan	<b>1,088.22</b>
	Llandough	<b>1,110.73</b>
	Llandow	<b>1,085.60</b>
	Llanfair	<b>1,080.00</b>
	Llangan	<b>1,096.14</b>
	Llanmaes	<b>1,102.58</b>
	Llantwit Major	<b>1,125.59</b>
	Michaelston	<b>1,095.57</b>
	Penarth	<b>1,127.28</b>
	Pendoylan	<b>1,087.05</b>
	Penllyn	<b>1,078.73</b>
	Peterston-Super-Ely	<b>1,089.49</b>
	St. Athan	<b>1,088.56</b>
	St. Brides Major	<b>1,082.98</b>
	St. Donats	<b>1,086.39</b>
	St. Georges and St. Brides-Super-Ely	<b>1,077.89</b>
	St. Nicholas and Bonvilston	<b>1,084.56</b>
	Sully and Lavernock	<b>1,104.12</b>
	Welsh St. Donats	<b>1,085.64</b>

	No.	
Wenvoe		<b>1,094.34</b>
Wick		<b>1,078.19</b>

being the amounts given by adding to the amount at (2)(g) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at (1)(b) above, calculated by the Council, in accordance with Section 34 (3) of the Act, as the basic amounts of its council tax for the year for dwellings in those parts of its area to which one or more special items relate.

## No.

## (i) Part of the Council's Area

£	Valuation Bands								
	A	B	C	D	E	F	G	H	I
Barry	747.23	871.77	996.31	1,120.85	1,369.93	1,619.01	1,868.08	2,241.70	2,615.32
Colwinston	725.44	846.35	967.25	1,088.16	1,329.97	1,571.79	1,813.60	2,176.32	2,539.04
Cowbridge with Llanblethian	751.00	876.17	1,001.33	1,126.50	1,376.83	1,627.17	1,877.50	2,253.00	2,628.50
Dinas Powys	730.65	852.42	974.20	1,095.97	1,339.52	1,583.07	1,826.62	2,191.94	2,557.26
Ewenny	735.23	857.76	980.30	1,102.84	1,347.92	1,592.99	1,838.07	2,205.68	2,573.29
Llancarfan	725.48	846.39	967.31	1,088.22	1,330.05	1,571.87	1,813.70	2,176.44	2,539.18
Llandough	740.49	863.90	987.32	1,110.73	1,357.56	1,604.39	1,851.22	2,221.46	2,591.70
Llandow	723.73	844.36	964.98	1,085.60	1,326.84	1,568.09	1,809.33	2,171.20	2,533.07
Llanfair	720.00	840.00	960.00	1,080.00	1,320.00	1,560.00	1,800.00	2,160.00	2,520.00
Llangan	730.76	852.55	974.35	1,096.14	1,339.73	1,583.31	1,826.90	2,192.28	2,557.66
Llanmaes	735.05	857.56	980.07	1,102.58	1,347.60	1,592.62	1,837.63	2,205.16	2,572.69
Llantwit Major	750.39	875.46	1,000.52	1,125.59	1,375.72	1,625.85	1,875.98	2,251.18	2,626.38
Michaelston	730.38	852.11	973.84	1,095.57	1,339.03	1,582.49	1,825.95	2,191.14	2,556.33
Penarth	751.52	876.77	1,002.03	1,127.28	1,377.79	1,628.29	1,878.80	2,254.56	2,630.32
Pendoylan	724.70	845.48	966.27	1,087.05	1,328.62	1,570.18	1,811.75	2,174.10	2,536.45
Penllyn	719.15	839.01	958.87	1,078.73	1,318.45	1,558.17	1,797.88	2,157.46	2,517.04
Peterston-Super-Ely	726.33	847.38	968.44	1,089.49	1,331.60	1,573.71	1,815.82	2,178.98	2,542.14
Rhosee	713.04	831.88	950.72	1,069.56	1,307.24	1,544.92	1,782.60	2,139.12	2,495.64
St.Athan	725.71	846.66	967.61	1,088.56	1,330.46	1,572.36	1,814.27	2,177.12	2,539.97
St.Brides Major	721.99	842.32	962.65	1,082.98	1,323.64	1,564.30	1,804.97	2,165.96	2,526.95
St.Donats	724.26	844.97	965.68	1,086.39	1,327.81	1,569.23	1,810.65	2,172.78	2,534.91
St.Georges and St.Brides-Super-Ely	718.59	838.36	958.12	1,077.89	1,317.42	1,556.95	1,796.48	2,155.78	2,515.08
St.Nicholas and Bonvilston	723.04	843.55	964.05	1,084.56	1,325.57	1,566.59	1,807.60	2,169.12	2,530.64
Sully and Lavernock	736.08	858.76	981.44	1,104.12	1,349.48	1,594.84	1,840.20	2,208.24	2,576.28
Welsh St.Donats	723.76	844.39	965.01	1,085.64	1,326.89	1,568.15	1,809.40	2,171.28	2,533.16
Wenvoe	729.56	851.15	972.75	1,094.34	1,337.53	1,580.71	1,823.90	2,188.68	2,553.46
Wick	718.79	838.59	958.39	1,078.19	1,317.79	1,557.39	1,796.98	2,156.38	2,515.78

being the amounts given by multiplying the amounts at (2)(g) and (2)(h) above by the number which, in the proportion set out in Section 5 (1/1A) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36 (1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

(3) T H A T it be noted that for the year 2015/2016 the Police and Crime Commissioner for South Wales has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992 , for each of the categories of dwellings shown below :-

£	Valuation Bands								
	A	B	C	D	E	F	G	H	I
	133.24	155.44	177.65	199.86	244.27	288.68	333.10	399.71	466.33

No.

(4) T H A T, having calculated the aggregate in each case of the amounts at (2)(i) and (3) above , The Vale of Glamorgan County Borough Council , in accordance with Section 30 (2) of the Local Government Finance Act 1992 , hereby sets the following amounts as the amounts of Council Tax for the year 2015/2016 for each of the categories of dwellings shown below :-

Part of the Council's Area	Valuation Bands								
	£	A	B	C	D	E	F	G	H
Barry	880.47	1,027.21	1,173.96	1,320.71	1,614.20	1,907.69	2,201.18	2,641.41	3,081.65
Colwinston	858.68	1,001.79	1,144.90	1,288.02	1,574.24	1,860.47	2,146.70	2,576.03	3,005.37
Cowbridge with Llanblethian	884.24	1,031.61	1,178.98	1,326.36	1,621.10	1,915.85	2,210.60	2,652.71	3,094.83
Dinas Powys	863.89	1,007.86	1,151.85	1,295.83	1,583.79	1,871.75	2,159.72	2,591.65	3,023.59
Ewenny	868.47	1,013.20	1,157.95	1,302.70	1,592.19	1,881.67	2,171.17	2,605.39	3,039.62
Llancarfan	858.72	1,001.83	1,144.96	1,288.08	1,574.32	1,860.55	2,146.80	2,576.15	3,005.51
Llandough	873.73	1,019.34	1,164.97	1,310.59	1,601.83	1,893.07	2,184.32	2,621.17	3,058.03
Llandow	856.97	999.80	1,142.63	1,285.46	1,571.11	1,856.77	2,142.43	2,570.91	2,999.40
Llanfair	853.24	995.44	1,137.65	1,279.86	1,564.27	1,848.68	2,133.10	2,559.71	2,986.33
Llangan	864.00	1,007.99	1,152.00	1,296.00	1,584.00	1,871.99	2,160.00	2,591.99	3,023.99
Llanmaes	868.29	1,013.00	1,157.72	1,302.44	1,591.87	1,881.30	2,170.73	2,604.87	3,039.02
Llantwit Major	883.63	1,030.90	1,178.17	1,325.45	1,619.99	1,914.53	2,209.08	2,650.89	3,092.71
Michaelston	863.62	1,007.55	1,151.49	1,295.43	1,583.30	1,871.17	2,159.05	2,590.85	3,022.66
Penarth	884.76	1,032.21	1,179.68	1,327.14	1,622.06	1,916.97	2,211.90	2,654.27	3,096.65
Pendoylan	857.94	1,000.92	1,143.92	1,286.91	1,572.89	1,858.86	2,144.85	2,573.81	3,002.78
Penllyn	852.39	994.45	1,136.52	1,278.59	1,562.72	1,846.85	2,130.98	2,557.17	2,983.37
Peterston-Super-Ely	859.57	1,002.82	1,146.09	1,289.35	1,575.87	1,862.39	2,148.92	2,578.69	3,008.47
Rhoose	846.28	987.32	1,128.37	1,269.42	1,551.51	1,833.60	2,115.70	2,538.83	2,961.97
St.Athan	858.95	1,002.10	1,145.26	1,288.42	1,574.73	1,861.04	2,147.37	2,576.83	3,006.30
St.Brides Major	855.23	997.76	1,140.30	1,282.84	1,567.91	1,852.98	2,138.07	2,565.67	2,993.28
St.Donats	857.50	1,000.41	1,143.33	1,286.25	1,572.08	1,857.91	2,143.75	2,572.49	3,001.24
St.Georges and St.Brides-Super-Ely	851.83	993.80	1,135.77	1,277.75	1,561.69	1,845.63	2,129.58	2,555.49	2,981.41
St.Nicholas and Bonvilston	856.28	998.99	1,141.70	1,284.42	1,569.84	1,855.27	2,140.70	2,568.83	2,996.97
Sully and Lavernock	869.32	1,014.20	1,159.09	1,303.98	1,593.75	1,883.52	2,173.30	2,607.95	3,042.61
Welsh St.Donats	857.00	999.83	1,142.66	1,285.50	1,571.16	1,856.83	2,142.50	2,570.99	2,999.49
Wenvoe	862.80	1,006.59	1,150.40	1,294.20	1,581.80	1,869.39	2,157.00	2,588.39	3,019.79
Wick	852.03	994.03	1,136.04	1,278.05	1,562.06	1,846.07	2,130.08	2,556.09	2,982.11

No.

- (5) T H A T discount for prompt payment of the Council Tax be not granted.
- (6) T H A T the Common Seal be affixed to the said Council Tax.
- (7) T H A T notices of the making of the said Council Taxes signed by the Managing Director be given by advertisement in the local press under Section 38 (2) of the Local Government Finance Act 1992.

943 DRAFT CONSULTATION RESPONSE IN RELATION TO WELSH GOVERNMENT WHITE PAPER - PUBLIC SERVICES STAFF COMMISSION (REF) -

RESOLVED - T H A T the use of the Urgent Decision Procedure (Cabinet Min. No. C2601, 12<sup>th</sup> January, 2015) as set out in Article 13.09(a)(ii) of the Council's Constitution, in order to ensure the submission of the response to Welsh Government by the 13<sup>th</sup> January, 2015 deadline, be noted.

944 EVENLODE NEW SCHOOL HALL (REF) -

RESOLVED - T H A T the use of the Urgent Decision Procedure (Cabinet Min. No. C2604, 12<sup>th</sup> January, 2015) as set out in Article 13.09(a)(ii) of the Council's Constitution, to increase the 2014/15 Capital Programme by the inclusion of the Evenlode new school hall scheme (£254,000), to be funded by a contribution from capital receipts, be noted.

945 INSTRUMENT OF GOVERNMENT FOR THE PUPIL REFERRAL UNIT (PRU) (REF) -

RESOLVED - T H A T the use of the Urgent Decision Procedure (Cabinet Min. No. C2665, 23<sup>rd</sup> February, 2015) as set out in Article 13.09(a)(ii) of the Council's Constitution, in order to approve the Instrument of Government and rename the Pupil Referral Unit (PRU) as Y Daith, be noted.

946 NOTICE OF MOTION -

The following Notice of Motion (submitted by Councillors Dr. Ian Johnson and Chris Franks) had been included on the agenda for discussion:

“That the Vale of Glamorgan County Borough Council is frack-free local authority.”

The mayor read the following statement prepared by the Monitoring Officer :

“The proposed Notice of Motion does not meet the requirement of being “a substantial issue for consideration **and action**” and, therefore, it is not a proper Notice of Motion and is to be rejected. The proposed Notice of Motion is a statement of fact and may be noted.”



No.

At this point, it was agreed that Standing orders be waived to allow the Monitoring Officer to provide further clarification. She reiterated her advice as previously read out by the Mayor and confirmed her view that, consequently, the Motion submitted did not meet the appropriate requirements.

#### 947 QUESTIONS PURSUANT TO COUNCIL PROCEDURE RULE 8.2 -

Due notice had been given of the following questions:

(i) **Question from Councillor R.L. Traherne**

'General Capital Funding' is under great pressure. Do you feel that there is sufficient money in the programme to ensure that our schools, council buildings and critical transport infrastructure remain fit for purpose?

**Reply from the Leader**

I believe that the budget is as fit for purpose, as it possibly can be, given the current funding arrangements, the pressures currently identified and the aspirations in areas such as the 21 Century schools programme and the areas you refer to.

However, we do have the current backdrop of austerity and that is clearly having its effect. But saying that, the issue of reducing General Capital Funding is not a recent phenomenon, with the level of funding having been under pressure for some time and likely to continue to reduce. In recognition of this, a strategy was formulated by this Council at the time of the last budget review based around the key themes of regeneration and sustainability, with specific schemes assessed as to their corporate priority and risk.

The specific proposals to address these issues are included in the Final Capital Programme report for 2015/16 submitted to Cabinet on 23<sup>rd</sup> February and approved at tonight's Council meeting. I would refer Councillor Traherne to this report should he wish to examine the detail of the proposals

**Supplemental**

Referring to the roof of Peterston-Super-Ely Primary School as leaking and to the Council having no funds to remedy matters, Councillor Traherne asked whether the Leader considered that Welsh Government should be investing more in public services rather than trying to compete with the private sector by "speculating in commercial properties".

The Leader indicated he was unaware of any leak at the school, but now that he had been made aware, he would ask officers to check the condition of the roof. There was provision within the Capital Programme for asset renewal for such schemes. As far as Welsh Government spending was concerned, he stated that was a matter for them and not for him or, indeed, the Council, to answer.

No.

(ii) **Question from Councillor R.L. Traherne**

At the December Meeting of the Social Care and Health Scrutiny Committee, Members were most concerned at the number of grant funding streams for Family Support Services and the short term nature of this funding. The views of the Committee were referred to Cabinet and the Cabinet Minutes state that Cabinet shared these concerns '*regarding grant funding especially short term and fixed term grant funding that can cause difficulty for the Council in service delivery*'. Can I enquire whether this matter has been taken up with the Welsh Government, which of course is responsible for this most worrying state of affairs.

**Reply from the Cabinet Member for Children's Services and Schools**

Starting with a general point in response to Councillor Traherne's question, I can reassure him that the Council continues to make strong representations to Welsh Government at all levels about the importance of greater funding flexibility - including the transfer of specific grants into the Revenue Support Grant without hypothecation. This is especially the case as the Council is obliged to make increasingly difficult decisions about future service provision in order to tackle the impact of austerity measures and growing demand for core services.

However, we acknowledge too the opportunities provided by grant funding for piloting new initiatives in support of the priorities set by Welsh Government Ministers. The additional £4 million per year provided to the Vale of Glamorgan for family support services have been used very effectively. Our track record in designing and delivering programmes such as Families First and Intensive Family Support Services, provided in an integrated way by a partnership of organisations and professional disciplines, is exemplary. For this reason, the grants have enabled the Council to fulfil its own corporate objectives - helping to make sure that children and young people are not disadvantaged by poverty and that we have a range of preventative and early intervention services for families in the greatest need.

**Supplemental**

Councillor Traherne indicated he remained uncertain as to whether the Cabinet Member was content with the current system and asked whether he shared his concerns.

Whilst he had not been present at the time the comment quoted by Councillor Traherne had been made, the Cabinet Member confirmed he did agree with the Cabinet's decision. He considered that it would always be very welcome if Welsh Government continued to fund services, particularly in areas such as early intervention relating to families. Furthermore, he would always support the principle of such funding being available over a longer period. However, the difficulty, as with all grant funding (for example Flying Start) was the uncertainty existing as each grant funding period came to an end. Obviously, he was unable to give any commitment in terms of the Welsh Government continuing to provide specific funding in respect of such schemes.

No.

(iii) **Question from Councillor R.L. Traherne**

The Literacy and Numeracy Framework or LNF was introduced in 2013 for pupils aged 5 to 14 in order to improve how they read, write and express themselves in all subjects. Do you think it has been a success?

**Reply from the Cabinet Member for Children's Services and Schools**

The LNF has indeed been successful in a number of ways:

- It has ensured that schools plan more systematically to develop literacy and numeracy skills across the curriculum. In most schools, pupils are provided with a greater variety of contexts in which they can apply their skills.
- When meaningful, relevant and stimulating contexts are provided, pupil participation is fuller and children progress more rapidly.
- With regards to standards in reading, writing, oracy and numeracy, the upward trend in performance in most related key performance indicators suggests that the LNF has been successful, although it would be wrong to credit all the improvement to the LNF alone.

This success is balanced by the following points:

- Arguably, the LNF has been easier to deliver in primary schools where one teacher is usually responsible for delivering most of the curriculum to a class of children. In this context, identifying opportunities for children to develop their literacy and numeracy skills in meaningful ways across the curriculum is easier. It is more of a challenge when the curriculum is delivered by a number of specialist teachers in a secondary school, many of whom are not specialists in English or mathematics.
- Aspects of the support for schools in implementing LNF have not been satisfactory. The quality of training provided by CfBT has been variable and at times of a very low quality. Further, the process has been overly bureaucratic.
- The focus on developing numeracy and literacy skills across the curriculum can adversely affect the development of subject specific skills and care needs to be taken to avoid a narrowing of the curriculum.

In summary, LNF has been a qualified success.

**Supplemental**

Referring to a study conducted by the Association of Teachers and Lecturers which found that almost two thirds of teachers in Wales considered national reading and numeracy tests to be "not fit for purpose" and to a recent Estyn report stating that provisions to develop pupils' literacy skills in the majority of schools was "very inadequate", Councillor Traherne asked whether the Cabinet Member considered the Council was really coping with the Welsh Government initiative. He asked whether the Cabinet Member was optimistic as to Professor Donaldson's independent review making a difference.

No.

The Cabinet Member responded that he did, indeed, consider that Professor Donaldson's review would prove to be helpful. His hope was that a meaningful review of education and the national curriculum in Wales would occur. He felt that the LNF would take time to "bed in" and reiterated his earlier comments regarding certain complications around the issue of secondary education. However, he was confident that the framework was already having a positive impact on learners within the Vale of Glamorgan. He concluded that he was always willing to hear from Trade Union colleagues and, indeed, Estyn on subjects they wished to raise with him as the Cabinet Member.

(iv) **Question from Councillor C.J. Williams**

Following our Feasibility report for a cycle/footpath between Barry and Cardiff through Dinas Powys and Welsh Government's Active Travel [Wales] Act of 2013 and subsequent consultation ending August 2014, when can we look forward to a free-to-use, safe, cycle/footpath between Wales' largest town and its largest city?

**Reply from the Cabinet Member for Regeneration, Innovation, Planning and Transportation**

I can advise that officers carried out title searches in January 2014 and wrote to all the landowners in February 2014 asking that they confirm their land ownership, but also asking them for their views on entering into initial discussions with the Council regarding the possible future delivery of a Barry to Dinas Powys off road cycleway scheme. No replies were received. Given this lack of response, consideration will need to be given to whether a Compulsory Purchase Order route may be required to acquire land to make delivery of such a route possible. Any CPO route would need to be supported by an appropriate business case setting out how such a scheme might be delivered and funded. Currently, there is no funding provision in the capital programme for this route development and so programming of the route development remains on hold. We will continue to discuss funding options with the Welsh Government.

**Supplemental**

Referring to schemes and funding in England, Councillor Williams asked the Cabinet Member whether the Council had tried to access funding from Central Government. He queried whether a solution to a cycle / footpath provision could be achieved without recourse to Compulsory Purchase Order.

The Cabinet Member pointed out the difficulty of such an approach, given that the land required was not currently within Council control. In terms of feasibility, the prescribed and agreed route was being followed and the area did not form part of the urban and semi-urban Active Travel network. As far as Central Government funding was concerned, he reminded Councillor Williams that such matters fell within devolved functions.

No.

(v) **Question from Councillor C.J. Williams**

The proposed new waste management charges appear to be acceptable when compared to other Authorities but what are our plans for a possible increase in fly-tipping which may negate the expected extra income.

**Reply from the Cabinet Member for Leisure, Parks, Culture and Sport Development**

The proposed new charges for various bags and boxes should not increase fly-tipping in any way. The introduction of charges for the collection of bulky items could result in a small increase in the number of household furniture items being fly-tipped but it is highly unlikely, with the concessions offered and stronger enforcement arrangements from 2015/16, that this will cost anything like the savings and income projection estimate of £170,000 per annum.

It should not be forgotten that fly-tipping is a serious criminal offence and we do not believe that large numbers of our residents will defer to this practice due to some being charged £15. In addition to a concession of two free collections per year of up to 6 items for those who are less able to pay, our contact centre staff will be able to advise of the details of charities who may collect certain items from the kerbside free of charge. Residents will also still be able to use our household waste recycling centres to dispose of their bulky household waste items at no extra charge.

As with any new initiatives the implications of the charges will be closely monitored throughout the forthcoming financial year, but, as advised, I do not believe that any problems will negate the income and savings that will be made from the new waste management charges. If I did, such proposals would not have been made.

(vi) **Question from Councillor C.J. Williams**

Can I please have an update on the decision to replace the potentially dangerous road bridge on Cross Common road, Dinas Powys, which serves regular school and public bus services?

**Reply from the Cabinet Member for Leisure, Parks, Culture and Sport Development**

I am pleased to advise that negotiations are progressing positively, with the landowner of the LDP candidate site adjacent to Cross Common Road, to make the necessary land available to realign Cross Common road and to construct a new junction with Cardiff Road. This option is considered to have significant advantages in that it provides much improved vehicle and pedestrian safety, which could not be achieved by replacing the existing bridge. It also removes any future maintenance liabilities for a bridge structure and eliminates the need for a road closure of up to 14 weeks, which would significantly impact those who currently rely on this route.

No.

A successful pre-application planning meeting took place between the landowner's agents and Planning Officers in September last year in connection with the anticipated outline planning application for the candidate site, and officers have been in correspondence with the agents since then. The new horizontal alignment for Cross Common Road has been agreed in principle and a draft Transport Statement has been prepared by the landowner's consultants; which will form part of the formal outline planning application.

(vii) **Question from Councillor R.J. Bertin**

A recent BBC X-ray investigation into Vale of Glamorgan food outlets with the worst hygiene scores revealed that zero rated businesses are being dishonest about their poor scores and failing to display stickers in their windows.

- Can you please inform us how many zero rated food outlets there are in the Vale?
- How many businesses have received a fixed penalty for not displaying?
- What enforcement action will be taken against food outlets not displaying?
- How are we working with businesses to improve their ratings?

**Reply from the Cabinet Member for Housing, Building Maintenance and Community Safety**

- The Vale of Glamorgan Council currently has one thousand, two hundred and twenty one (1221) food businesses registered in accordance with the food hygiene legislation. Of these businesses, seven currently hold a zero food hygiene rating following their last routine food hygiene inspection. This equates to 0.57% of all food businesses.
- Only two premises failing to display a current food hygiene rating have resulted in Fixed Penalty Notices being issued. Payment has been received in relation to both Penalties and the businesses are now displaying their food hygiene rating.
- In line with Welsh Government advice following the introduction of the Food Hygiene Rating (Wales) Act 2013, any premises not displaying a current food hygiene rating within the Vale of Glamorgan Council area will be dealt with via a graduated approach. This conforms to the requirements of the Regulators Compliance Code. The approach consists of an initial verbal warning at the time of inspection, followed by a strongly worded written warning prior to an officer issuing a Fixed Penalty Notice. To date, there have been approximately 30 written warnings issued to food premises not displaying a current rating. Where non-display continues, the witnessing officer will initiate prosecution proceedings against the food business operator in question.
- The Commercial Team will continue to provide advice and guidance to all food business allowing the Food Hygiene Rating Scheme in Wales to continue its success in driving up food hygiene standards. In addition to offering advice during all types of visits to businesses, Food Standards Agency grant funding

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will continue to be utilised in appropriate ways to enable food businesses operators to maintain or improve their current rating. Our broadly compliant food businesses figure continues to increase year on year and it is hoped that our actions continue to protect public health.

### **Supplemental**

Councillor Bertin referred to the Vale of Glamorgan as having the highest proportion of zero rated food outlets in Wales accordingly to the Food Standards Agency and asked what the Cabinet Member's views were regarding this.

The Cabinet Member assumed Councillor Bertin to be quoting from a recent television programme. She believed that the scheme was the only one of its kind within the United Kingdom and that it was, indeed, driving up standards and represented a good example of regulators working together with food businesses to benefit people's health and their safety.

#### **(viii) Question from Councillor Dr. I.J. Johnson**

What were the findings of the most recent Local Environment Audit and Management Systems survey in the Vale of Glamorgan?

#### **Reply from the Cabinet Member for Leisure, Parks, Culture and Sport Development**

The Keep Wales Tidy 2014/15 Local Environment Audit and Management Systems survey (LEAMS) advises that over the last few years we have dramatically improved the cleanliness of the Vale of Glamorgan, with significant improvements from 2007/8 to 2014/15. In particular, the surveys found that there have been sizeable reductions in incidence of dog fouling and domestic litter.

Unfortunately, the overall cleanliness indicator for 2014/15 reduced slightly when compared to the previous year, from 70.9 to 67.5, though we have increased the numbers of streets considered as being 'very clean' and we had no streets indicated as being within the 'worst' category of cleanliness. There could be a number of reasons for the reduction in our overall cleanliness performance, though it is believed that the absence of the previous robust litter enforcement arrangements is a contributory factor.

We are currently seeking expressions of interest from the private waste enforcement sector to help us re-shape our street cleaning and enforcement arrangements from 2015/16. Due to our significant budget challenges, we will need to concentrate to a greater extent in future on dealing with the small proportion of residents who drop litter, rather than using our limited budgets to clear up after them.

We will also be looking to engage other sectors, including Town and Community Councils to assist with maintaining their local environments as, unfortunately, it is unlikely that we will be able to retain our cleanliness position in future surveys without the increased assistance of our citizens and other partners.

### **Supplemental**

Expressing disappointment regarding the reduction in the Corporate Objective in 2013/14, Councillor Dr. Johnson asked whether he could assume from the original answer to his question that the Cabinet Member was in favour of a new team of environmental protection officers and, if so, what the timetable would be for implementation.

The Cabinet Member stated that he had already included in his reply the fact that the Council was bringing together improved enforcement measures, albeit the full details of such could not yet be provided. Whilst the cleanliness indicator of 67.5 was slightly behind the Wales average of 68.7, the Council was still achieving a better figure than most of Wales. Offenders were being targeted and the Cabinet Member encouraged all Members present to take action, e.g. noting registration numbers, should they observe rubbish being thrown from vehicles.

#### (ix) **Question from Councillor Dr. I.J. Johnson**

What is the current waiting list for allotments in the Vale of Glamorgan, with particular reference to the waiting list in Barry?

#### **Reply from the Cabinet Member for Leisure, Parks, Culture and Sport Development**

As of 27<sup>th</sup> February, 2015 the waiting list for Vale of Glamorgan allotment sites was as follows:-

Aberthin – 28  
Cemetery Road – 70  
Ceri Road, Rhoose - 76  
Merthyr Dyfan – 31  
New Beggarswell – 135  
Old Pencoedtre – 58  
Palmerston – 137  
Slaughterhouse – 105  
St Pauls – 37  
Weston Hill – 30.

The total number on the waiting lists across all sites is 707 but this includes a number of people who are registered on multiple sites and does not equate to 707 residents. The total number on waiting lists in Barry is 603, though again this does not correlate to individual resident numbers.

### **Supplemental**

Councillor Dr. Johnson referred to a Corporate Objective within the Visible Services Service Plan 2014/15 to increase the number of allotments in the Vale of Glamorgan



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and asked what success there had been and how that would affect the waiting for allotments.

The Cabinet Member referred to the difficulty in constantly checking on actual use of allotments by allotment holders. However, officers were constantly seeking to keep such a check of use. Within the Council's Reshaping Services programme, the issue of allotments would be looked at, possibly in conjunction with some Town and Community Council involvement. His intention was that numbers could be increased and waiting lists, consequently, reduced as part of the Reshaping Services programme, albeit this would require the co-operation of other partners.

(x) **Question from Councillor Dr. I.J. Johnson**

The Vale of Glamorgan Draft LDP says that the Cog Moors Wastewater treatment works has limited capacity and consultation with Dwr Cymru Welsh Water will be required to determine whether improvements to this facility will be required before progress with developments. Could we have an update on capacity issues at the plant?

**Reply from the Cabinet Member for Regeneration, Innovation, Planning and Transportation**

Dwr Cymru Welsh Water (DCWW) was requested by the Council to update their comments in respect of infrastructure requirements associated with proposed LDP allocations.

Their comments again confirm that the Cog Moors Waste Water Treatment Works (WwTW) has limited capacity and that, subject to the scale and pace of new development, there will ultimately be a time when the WwTW will require an increase in capacity. As a result, consultation will be required between developers of sites and DCWW to consider whether improvements to the facility will be required.

While the current DCWW Asset Management Programme (AMP5) does not include improvements to the WwTW at Cog Moors, the Council is awaiting updated information from DCWW in respect of their next Asset Management Programme (AMP6), which covers the period from 1st April 2015 – 31st March 2020. This is expected by officers in the next few weeks.

Please let me know if you would like further information.

**Supplemental**

Referring to the importance of Cog Moors to the eastern Vale and west of Cardiff, Councillor Dr. Johnson asked what discussions had been held with Cardiff Council with regard to the joint impact of the Council's Local Development Plan upon the waste water treatment.

The Cabinet Member indicated that, in terms of waste water treatment, the Council would look to Dwr Cymru Welsh Water as they were the providers of waste water

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treatment. Notwithstanding that, she confirmed that discussions were held with Cardiff regarding the Councils' joint concerns regarding Local Development Plans.

(xi) **Question from Councillor Dr. I.J. Johnson**

What advantages has the Council received as an 'early adopter' of the Well-being of Future Generations (Wales) Bill?

**Reply from the Leader**

The newly published White Paper "Reforming Local Government: Power to Local People" makes it clear that the Well Being of Future Generations (Wales) Bill will be pivotal in determining the future relationship between Welsh Government and local authorities and set a framework for the whole public service in Wales. Mindful of the importance of the Bill, due to come into force in 2016, the Council became an "early adopter", one of 11 Councils to do so.

A package of support was made available via the Welsh Local Government Association (WLGA) for early adopters. The Council initially undertook a self-assessment of our ability to comply with the Bill, using a diagnostic tool developed for that purpose. This was further explored in a workshop led by Price Waterhouse Coopers (PWC) in November 2014, which gave the Council an assurance that we were already meeting some of the requirements of the Bill and indicated where further work was necessary. Sessions involving senior managers and facilitated by PWC have been arranged for April to examine how the Council's Reshaping Services strategy can be aligned with the provisions of the Bill.

Collective support for all early adopters will also be available from the WLGA in the form of Member training, officer briefings and a web-based "self-help" resource.

Having undertaken these activities will better enable the Council to be prepared for the Bill's implementation when it comes into force in 2106.

**Supplemental**

Acknowledging that the Bill was still progressing through the Welsh Assembly, Councillor Dr. Johnson asked whether the Cabinet Member could provide any indication of the work done so far and what cost there would be to the Council in adopting the principles and mechanisms contained in the Bill.

The Leader indicated he was unable to provide that information at present, particularly given the wide ranging nature of the Bill and the many different aspects it covered and different partners it would also involve. Some discussions had been held at the Local Service Board. If he was able to ascertain any actual figures (which he doubted at this stage) then he would provide that information to all Members.

No.

(xii) **Question from Councillor Dr. I.J. Johnson**

How frequently it is intended that the Joint Regulatory Services Committee meets and how will council be able to scrutinise their decision making process?

**Reply from the Cabinet Member for Housing, Building Maintenance and Community Safety**

The frequency in which the Joint Regulatory Services Committee will meet is to be determined by the Committee at their inaugural meeting.

It is proposed that, initially, scrutiny will be undertaken by Councils' existing Scrutiny Committees and further consideration given in due course to the potential benefits of any shared arrangements. During the pre-decision scrutiny process, the Chairs of Scrutiny Committees in each of the three Councils expressed a desire to explore joint scrutiny arrangements. It is therefore proposed that Scrutiny Officers from each of the Councils facilitate a meeting of the Chairs of relevant Scrutiny Committees to discuss and develop these proposals.

**Supplemental**

Councillor Dr. Johnson asked when the inaugural meeting of the Joint Committee would be held and whether, at that point, the timescale would be developed for issues such as a long term Service Plan.

The Cabinet Member indicated that the holding of the first meeting was dependent upon the completion and signing off of the Joint Working Agreement by the three Authorities, which was imminent. Once the Joint Committee began meeting, the frequency of meetings and issues such as work programmes and Service Plans could be considered.

(xiii) **Question from Councillor Dr. I.J. Johnson**

When a report will be published following the library consultation?

**Reply from the Cabinet Member for Adult Services**

Cabinet will consider a report at their meeting on 9<sup>th</sup> March.

**Supplemental**

Referring to his concern regarding the impact on community libraries in particular, Councillor Dr. Johnson asked the Cabinet Member what would happen to community libraries should the required number of volunteers not materialise or the number of volunteers fall below that necessary to ensure they were able to adequately cope.

No.

The Cabinet Member advised Councillor Dr. Johnson to read the report that was being submitted to Cabinet on 9<sup>th</sup> March 2015, where he would find the information he was seeking.

(xiv) **Question from Councillor G.A. Cox**

You will be aware of the concerns raised by members of the public on the high level of housing proposed in the Authority's LDP for the rural Vale. This concern is amplified by the number of planning applications being submitted for candidate sites before the LDP is considered by Welsh Government Planning Inspector. It is bringing chaos to any planning policy for the Vale.

Many residents are asking "why not Llandow" where a candidate site proposal for a new settlement was rejected in 2009. As many factors have changed over the intervening 6 years will the Cabinet member reassess building housing at Llandow, rather than proceed with the ill-considered over development elsewhere in the rural settlements?

**Reply from the Cabinet Member for Regeneration, Innovation, Planning and Transportation**

Proposals for a new settlement at Llandow have been considered by the Council as part of the LDP Preferred Strategy consultation stage and, as part of this, a sustainability appraisal of the proposal was undertaken. This process concluded that the current LDP strategy provided the most sustainable option for the Vale of Glamorgan. The current LDP Strategy is considered to remain a sustainable basis to progress to LDP and responses to the LDP public consultation will be reported to Cabinet and Council prior to being submitted for independent Examination.

The Council is guided by national planning policy which is contained within Planning Policy Wales (PPW). This advises that local planning authorities should direct development to the sustainable locations, with the overall aim of reducing the need to travel by locating new development within existing urban areas or other locations with existing infrastructure and access to public transport. In this respect, local planning authorities need to undertake a search sequence to first consider the re-use of previously developed land and buildings within existing settlements, settlement extensions and finally new development around settlements with good public transport links (PPW Paragraph 9.28 refers).

In this respect, national policy advises that new settlements on greenfield sites are unlikely to be appropriate in Wales, and should only be proposed where such development would offer significant environmental, social and economic advantages over the further expansion or regeneration of existing settlements. This was not considered to be the case for the Llandow Newydd proposals. Whilst predominately located around the former airfield, the proposals included a significant amount of greenfield land for residential development and were not considered to provide the infrastructure and sustainable transport benefits considered necessary to ensure a new sustainable settlement. The proposal could therefore not be seen to be in

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accordance with national planning policy. You refer to the fact that many factors have changed but the policy content that I have outlined has not changed.

### **Supplemental**

Referring to a Cabinet report of 21<sup>st</sup> March 2009 indicating that the Council followed the Wales Spatial Plan (which referred to limited sustainable growth in the rural Vale), Councillor Cox referred to the Local Development Plan, which included an increase in housing level in the Cowbridge ward alone of 7% of the Vale total, compared to 2% in the former Conservative LDP. He asked how that could be considered to be promoting "limited sustainable growth" in the rural Vale.

In responding, the Cabinet Member considered the reference to 2009 to be of some relevance, stating that Councillor Cox had been a member of the Conservative Cabinet at the time.

She stated that Members might also be aware that the Council's decision to exclude the settlement of Llandow Newydd as part of the LDP strategy had actually been the subject of a Judicial Review on 23<sup>rd</sup> June 2009 by Persimmon Homes Ltd and BDW Trading Ltd (Barratt Homes). The application was heard at the High Court in Cardiff on 2<sup>nd</sup> and 3<sup>rd</sup> March 2010. Having considered all the evidence and oral submissions, the Honourable Mr. Justice Beatson dismissed the application. As a consequence of the Judicial Review a further report on the LDP Preferred Strategy was considered by Cabinet on 3<sup>rd</sup> February 2010. The report made clear that Cabinet were being asked to reconsider the LDP Preferred Strategy afresh and that they were not bound in any way by their earlier decision on 25<sup>th</sup> March 2009 or by the views of officers. The Draft Preferred Strategy (now the LDP Strategy) was endorsed by Cabinet on 3<sup>rd</sup> February 2010. A copy of Mr. Justice Beatson's deliberations was available on the Council's website.

On the basis of the above the Council considered that all policy options had been fully considered when preparing the Deposit LDP, including satisfying the requirement of national policy in considering the suitability of a new settlement at the former Llandow Airfield. Notwithstanding this, the Council would this year submit the Deposit LDP to Welsh Government to undergo an independent Examination in Public by an appointed Planning Inspector. As part of this process, matters regarding the proposed Strategy and policy framework would be examined, alongside other key aspects of the LDP such as housing and employment requirements and the spatial distribution of future development.

### **(xv) Question from Councillor R.J. Bertin**

Staff from Bryn Hafren School have labelled the proposals to transform secondary education in Barry as "flawed", "inadequate" and "insulting". Will the Cabinet Member please tell us his thoughts on this reaction?

No.

### **Reply from the Cabinet Member for Children's Services and Schools**

You will all be aware that last week Cabinet considered a report including proposals for Barry Secondary School Transformation. Cabinet has agreed that, from 11<sup>th</sup> May, we should consult widely with children and young people, parents, school staff and other stakeholders about proposals for the future.

Consultation in the Autumn of 2013 had indicated support for mixed secondary schooling, rather than single sex education in the town, amongst pupils and parents. Cabinet subsequently agreed a work programme should be carried out to develop detailed proposals for mixed secondary schooling and to address the concerns raised by some respondents to that earlier consultation.

Cabinet had also previously considered the forecast future demand for secondary school places in the Welsh-medium sector and had asked for feasibility work to be carried out to ensure sufficient places were available in 2020 when demand from pupils leaving primary schools is expected to outstrip the number of places available.

The proposals that will be the subject of consultation from 11<sup>th</sup> May would, if implemented, create a new mixed secondary school through the amalgamation of Barry Comprehensive and Bryn Hafren schools in 2017. The amalgamated school would operate across the two current sites.

Then in 2020 the new mixed secondary school would move to renovated and expanded accommodation on the current Barry Comprehensive, Bro Morgannwg and Nant Talwg sites and Bro Morgannwg and Nant Talwg would move to renovated and expanded accommodation on the current Bryn Hafren site. Funding to deliver this scale of investment is dependent on Band B of the Welsh Government's Twenty First Century Schools programme. If we are to access those grants we need to have well-developed transformation plans at an advanced stage of development.

Of course I am disappointed about the initial reaction from some of the staff at Bryn Hafren school. I disagree with the view that our proposals are flawed, inadequate or insulting. I am also aware that the consultation process has not yet started and we have not therefore had a chance to ensure that the proposals are fully explained and the implications of all seven options that have been developed have been discussed in any detail. During the consultation period we will want to listen very clearly to the views of a wide range of stakeholders, including the parents of children in primary schools, to children and young people to the governors of the schools concerned, as well as to the staff in the schools potentially affected. No decisions have been made and the purpose of consultation is to help ensure that in due course we make the best decision for the learners of Barry.

These are significant and radical proposals and I am keen to ensure that, once the consultation document has been published, we will have a high quality discussion in the town about the options to transform secondary schooling in Barry to deliver the educational success that our town needs in the twenty first century.

No.

### **Supplemental**

Councillor Bertin asked the Cabinet Member whether it would be possible for Members to be kept informed of all future consultation responses.

The Cabinet Member confirmed that would be possible, indicating that consultation would commence on 11<sup>th</sup> May and run for eight weeks. He was sure that Members would be forwarded the consultation documents, as would Governors and the wider community. He would also ensure that Members received feedback on the consultation exercise.

#### **(xvi) Question from Councillor Dr. I.J. Johnson**

What process will be followed for determining the outcome of the trial one-way system in Trinity Street, Barry?

#### **Reply from the Cabinet Member for Leisure, Parks, Culture and Sport Development**

The one-way system on Trinity Street is due to be implemented for a period of up to six months from 1<sup>st</sup> April 2015 as an experimental traffic regulation order.

The Council has installed 10 solar powered logging studs in key roads in and around Trinity Street. These roads include Romilly Road, Porthkerry Road (x2), Windsor Road, Montgomery Road, Trinity Street (x2), St. Paul's Avenue, College Road and Alexandra Crescent. The studs were installed at the end of February and will be collecting traffic data 24 hours a day prior, and up to, the commencement of the one-way trial start date at the beginning of April. They will also continue to collect traffic data throughout the trial period.

Details of the experimental scheme have been outlined within the local press and letters have been sent to residents in the vicinity providing details of how to comment on the experiment. Responses will be accepted at any time during the trial via post, text, telephone or e-mail. The Council will also be requesting feedback from other stakeholders, such as local bus companies and the emergency services. Anonymous responses will not be considered in any feedback.

The traffic data collected, both before and during the trial, will be analysed and compared by our traffic officers to assist in understanding the impact on traffic movements as a consequence of the trial. The feedback from all stakeholders will also be assessed and fully considered by the officers in conjunction with the traffic data and used to inform a decision on the success, or otherwise, of the trial and whether there is any benefit to permanently implementing the one-way scheme on completion of the trial or not. If the trial does not prove successful, taking into account all this information, Cabinet will be requested to agree its removal and for conditions to revert back to the previous operation.

No.

### **Supplemental**

Referring to the fact that Gadlys Road was not included within the streets covered and to residents' frustration that they had not been consulted on the proposals, Councillor Dr. Johnson asked whether the Cabinet Member would be willing to join him to meet with local residents around three months into the proposed trial in order to assess its progress from residents' perspective.

The Cabinet Member confirmed that he would ensure Gadlys Road was added to the list of streets covered and that progress of the trial would be closely monitored. He welcomed the opportunity of a further meeting with residents in due course to present the results of the trial scheme.

### (xvii) **Question from Councillor C.P. Franks**

What input has this authority provided in relation to the Cardiff Metro proposals?

### **Reply from the Cabinet Member for Regeneration, Innovation, Planning and Transportation**

The Metro concept has been considered for some time. The Council was a Member of the South East Wales Transport Alliance (SEWTA), when a number of proposals were presented to WG to form part of the Cardiff Metro. Two such schemes proposed for the Vale of Glamorgan related to the bus corridors from Dinas Powys to Cardiff and Culverhouse Cross to St Athan via the Airport. These schemes had been identified as part of the bus network strategy for the region as they had been identified as being within two of the top ten corridors in the region that required measures to facilitate measures to allow for more efficient public transport movements. Funding has been provided to carry out feasibility and design to consider both of these corridors for bus priority measures to encourage the public to choose the bus over the car and to enhance the bus experience. Measures can include improved bus infrastructure such as stops and shelters and timetabling information as well as bus priority measures.

### **Supplemental**

Councillor Franks asked the Cabinet Member whether she was confident that the Vale would benefit substantially from the project over and above the already agreed electrification of the rail line.

The Cabinet Member considered it difficult at this time to actually quantify outcomes, but referred to it being a significant integrated transport system scheme, covering bus, train as well as links in terms of Active Travel. She had held discussions with Cabinet colleagues in Cardiff as well as the Welsh Government consultant for the scheme. The Leader had also attended several meetings with Welsh Government and the Council would continue to input into the process.



No.

(xviii) **Question from Councillor C.P. Franks**

Given the continued excessive traffic congestion through Dinas Powys what measures will the authority take to ensure that additional housing as proposed in the Local Development Plan does not make matters worse?

**Reply from the Cabinet Member for Regeneration, Innovation, Planning and Transportation**

The Deposit Draft Local Development Plan includes at Appendix 5 details of the information that the Council will require for each allocated development site. As with the majority of the sites within the Deposit LDP, development proposals for the sites within Dinas Powys will be required to be supported by a comprehensive Scoping Study which will be agreed with the Local Planning/Highway Authority, in order that a comprehensive and robust Transport Assessment can be undertaken that evaluates and determines mitigation measures which alleviate any detrimental impact that the development proposals will have on the local highway network and associated road junctions.

The Deposit LDP is also supported by a Highways Impact Assessment, undertaken by independent consultants Capita Symonds, which considers the possible impact of the housing allocations identified within LDP Policy MG2 on the strategic highway network within the Vale of Glamorgan. The study identifies where routes and/or junctions may be adversely impacted upon by new development and where improvements may be required.

In addition, to the above, new development proposals will be required to contribute to the provision of local infrastructure improvements which will facilitate the use of all forms of sustainable transport building upon existing schemes and programmes such as Safe Routes in Communities and Local Transport Fund proposals.

**Supplemental**

Councillor Franks referred to traffic issues along the A4055 road through Dinas Powys and felt that nothing substantial had been done to date to alleviate problems. He asked the Cabinet Member if she could indicate what had actually been instigated as opposed to future developments.

The Cabinet Member considered that what had already been done, together with planned measures, was more detailed than could be meaningfully answered at the Council meeting itself. She asked that Councillor Franks contact her setting out what specific information he was seeking to acquire.

948 QUESTIONS FROM THE PUBLIC -

The following questions had been received and were replied to as shown below, in accordance with the Council's agreed protocol:

No.

(i) **Question from Ms. Ross**

What are the terms of the ten year warranty that the Vale of Glamorgan are underwriting due to the original warranty being invalidated by the builder and architect, for Queens Road Phase 5B ?

**Reply from the Cabinet Member for Housing, Building Maintenance and Community Safety**

The warranty referred to relates to defective work previously undertaken by contractors on behalf of the Council and certain residents in Queens Road. The council is working with the residents to complete the work and that work was due to commence this week. The revised warranties to be provided by the Council are currently being drafted by the Council's legal department and will allow the remedial work to be underwritten by the Council.

Subject to completion of the terms of the warranty to be considered and agreed by officers, the residents will be provided with a copy of the detail of the offer.

(ii) **Question from Mr. Jenkins**

When will Penarth renewal phase 5b be finished and the internal audit report available to the respective residents?

**Reply from the Cabinet Member for Housing, Building Maintenance and Community Safety**

New contractors have been appointed and officers have been attempting to secure a start date as soon as is practicably possible. It was hoped that work would start this week, but the contractor has advised that they are currently in the process of arranging welfare provisions on site. Regulations require that welfare provisions are in place prior to commencement of works. The contractor advised yesterday, that once welfare provisions are in place, work to erect scaffolding will commence and it is hoped that this will be from next Monday, 9<sup>th</sup> March. I have asked that a firm date be set as a matter of urgency.

In relation to the Audit Report into the work undertaken in Queens Road as part of the Penarth Central Renewal Area a request for its release is subject of a Freedom of Information request and is being currently considered by the Council's Legal Department.